ASSESSMENT REPORT TITLE PAGE AND SUMMARY

TITLE OF REPORT Geological and geochemical assessment report on the El Toro Project

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AUTHOR(S) **Jean Pautler**
SIGNATURE(S) "jean pautler"
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PROPERTY NAME **El Toro Project**
CLAIM NAME(S) (on which work was done) Bull, The Hoof, El Torro 33, R Eye, Mouth, Tail, Chest, Guts, Belly, Rear Legs, Ear & Horns, Front Leg, Starr 01 to 02, Mo-01 to Mo-06, Princess1 to 4 **claims**
(tenure numbers 525417, 554953, 554956, 554994, 554998-555000, 555001-005, 567390-391, 567601-606, 592347-349, 592351**)**
COMMODITIES SOUGHT **Cu, Ag, Au, and Cu, Mo (Ag) porphyry**
MINERAL INVENTORY MINFILE NUMBER(S),IF KNOWN **093L 033-047, 049-050, 062, 064-069, 080, 166, 168, 189, 227-228, 241, 255, 299, 304, 320**
MINING DIVISION **Omineca**
NTS / BCGS **93L/5,6,11** / **93L/ 0**
LATITUDE ____**54**_____º ____**30**_____' __**00**_____"
LONGITUDE _____**127**____º ___**15**_____' _____**00**_____" (at centre of work)

UTM Zone **9** EASTING **615000m** NORTHING **6040000m**
OWNER(S) **Lions Gate Energy Inc.**
MAILING ADDRESS #15th Floor, 675W. Hastings St. Vancouver, BC., V6B 1N2
OPERATOR(S) [who paid for the work] **Lions Gate Energy Inc.**
MAILING ADDRESS #15th Floor, 675W. Hastings St. Vancouver, BC., V6B 1N2
REPORT KEYWORDS (lithology, age, stratigraphy, structure, alteration, mineralization, size and attitude **do not use abbreviations or codes**)

The El Toro Project is primarily underlain by the Telkwa Formation of the subaerial to locally submarine Lower Jurassic Hazelton Group, dominated by bedded maroon and green subaerial andesitic to dacitic crystal and lithic tuffs, lesser breccia, minor flow interbeds, and local rhyolite flows and tuffs. The Hazelton Group is intruded by small bosses, stocks and related dykes and sills of the Late Cretaceous Bulkley plutonic suite, with the largest (2 by 3 km) stock exposed in Sunsets Basin. The area is characterized by extensional basin and range type block faulting. The El Toro Project covers a well-mineralized area southwest of Telkwa that includes 36 Minfile occurrences, including 3 past producers and 1 developed prospect in Hunter Basin, 6 prospects and 26 showings. The principal deposit type is subvolcanic copper-gold-silver which occurs in permeable horizons within andesite tuffs veins, fracture fillings and stockwork-breccia zones. For example in Hankin Basin mineralization has been intermittently traced for 5 km along strike and 2 km along dip. The northerly trending Friendly Vein in Dominion Basin returned 9.52 g/t Au, 180 g/t Ag, 1.68% Cu, 15.7% Zn and 0.95% Pb across 1.0m. Four stocks of the Bulkley plutonic suite with porphyry calc-alkaline porphyry copper±molybdenum±gold(silver) potential were identified, the Sunsets stock, the MSJ stock, the War Eagle stock and the Loljuh stock.

REFERENCES TO PREVIOUS ASSESSMENT WORK AND ASSESSMENT REPORT NUMBERS

#07070 (Allen, 1981) #01880 (Brown, 1968) #19555 (Ethier, 1989)
#21925 (Hanson, 1991) #20741 (Hanson, 1990) #17407 (Helgason, 1987)
#08444 (Kenyon, 1980) #13191 (Kikuchi, 1985) # 10043 (Kikuchi, 1981).
#21765 (Jamieson, 1991a) # 4831, 4811 (McAndrew, et al, 1973) #03485 (Sharp, 1970)
#22053 (Pauwels, 1988) #12135 (Price, 1983) #01922 (Woolverton, 1969)

GEOLOGICAL and GEOCHEMICAL ASSESSMENT REPORT on the EL TORO PROJECT

Telkwa, British Columbia

NTS: 93L/5, 6 and 11

Latitude 54°30'N Longitude 127°15'W

Omineca Mining Division, British Columbia

Claims: Bull, The Hoof, El Torro 33, R Eye, Mouth, Tail, Chest, Guts, Belly, Rear Legs, Ear & Horns, Front Leg, Starr 01 to 02, Mo-01 to Mo-06, Princess1 to 4

(Record Numbers: 525417, 554953, 554956, 554994, 554998-555000, 555001-005, 567390-391, 567601-606, 592347-349, 592351)

Work performed between August 26 and September 6, 2008

For
Lions Gate Energy Inc.
15th Floor, 675 W Hastings St.
Vancouver, British Columbia
V6B 1N2

By:
Jean Pautler, P.Geo.
JP Exploration Services Inc.
#103-108 Elliott Street
Whitehorse, Yukon
Y1A 6C4

March 31, 2009

1.0 EXECUTIVE SUMMARY

The 33,565 hectare El Toro Project area, NTS map sheets 93L/5, 6 and 11 is located in the Omineca Mining Division, 30 kilometres southwest of Telkwa, which is 11 km southeast of Smithers in central British Columbia at a latitude of 54°30'N and longitude of 127°15'W. The property lies within the Telkwa Range of the Hazelton Mountains and is bisected by the northerly flowing Howson Creek drainage. The El Toro property is 100% owned by Lions Gate Energy Inc.

The El Toro Project is primarily underlain by the Telkwa Formation of the subaerial to locally submarine Lower Jurassic Hazelton Group, dominated by bedded maroon and green subaerial andesitic to dacitic crystal and lithic tuffs, lesser breccia, minor flow interbeds, and local rhyolite flows and tuffs. The Hazelton Group is intruded by small bosses, stocks and related dykes and sills of the Late Cretaceous Bulkley plutonic suite, primarily of quartz monzonite, monzonite and granodiorite compositions, with the largest (2 by 3 km) stock exposed in Sunsets Basin. The area is characterized by extensional basin and range type block faulting and a prominent north trending fault divides the property along Mooseskin Johnny Valley.

The principal deposit type present on the El Toro Project is the subvolcanic copper-gold-silver (arsenic, antimony) type, also referred to as transitional or intrusion related polymetallic stockwork and vein types. The Equity Silver past producing mine, 60 km southeast of El Toro, is an example of this type of deposit and produced 33.8 million tonnes of 0.4% copper, 64.9 g/t Ag, and 0.46 g/t Au. The calc-alkaline porphyry copper±molybdenum±gold(silver) deposit type, commonly related to the subvolcanic type, is also present, associated with the Bulkley plutonic suite which occur as stocks and dykes across the property. The Huckleberry Mine, 70 km south of the El Toro Project, is an example of this deposit type and is associated with a stock of the Late Cretaceous Bulkley plutonic suite. Gold-silver±copper epithermal veins, and stockworks, commonly associated with the above deposit types also occur in the project area.

The El Toro Project covers a well-mineralized area southwest of Telkwa that includes 36 Minfile occurrences, including 3 past producers and 1 developed prospect in Hunter Basin, 6 prospects and 26 showings, as documented by the British Columbia Geological Survey Branch.

Previous exploration on the El Toro Project, undertaken from 1898 to 2007, has only involved approximately 3800 metres of diamond drilling in 60 holes, with early underground exploration, excavator and hand trenching, mapping, rock geochemistry and reconnaissance and grid soil geochemistry. Most of the showings were discovered and worked on from the turn of the century to 1941. A resurgence in activity was seen in the 1960's, with sporadic work in the 1970's, resulting in the discovery of the porphyry showings. Sporadic work continued until 1991.

Combined production from the King and Rainbow mines between 1914 and 1962 totaled 293.5 tonnes producing 8,533g Au, 294,905g Ag, and 44,357 kg copper. In 1914 38 tonnes of ore was shipped from the Colorado mine recovering 155,515 g Ag and 2722 kg Cu. Along Loring Creek, in the Hankin Basin area, copper-silver±gold mineralization occurs in permeable horizons within andesite tuffs. At the Loring showing three mineralized horizons, up to 1.5m wide, occur within a 20m wide zone with previous assays averaging 65.14 g/t Ag with 0.45 to 3.12% Cu. The average assay from previous chip sampling a 24.3m cliff section on the Marmot is 4.3% Cu and 109.71 g/t Ag. The Friendly Vein in Dominion Basin yielded an average of 70.2 g/t Ag and 2.21 g/t Au along 8.5m of the vein. Diamond drill results from the Duchess prospect in Howson Basin include 2.9% Cu and 45.26 g/t Ag over 15.8, including 11.8% Cu and 202.3 g/t Ag over 3.05m from hole 67-4, but true width is not known.

Four stocks of the Bulkley plutonic suite with porphyry calc-alkaline porphyry copper±molybdenum±gold(silver) potential were identified, the Sunsets stock, the MSJ stock, the War Eagle stock and the Loljuh stock. Insufficient work has been undertaken to evaluate them. The Huckleberry Mine, 70 km south of the El Toro Project, is an example of this deposit type and is associated with a stock of the Late Cretaceous Bulkley plutonic suite. Drilling of the Ant epithermal showing in 1990 did not intersect significant mineralization but potential exists to uncover gold-silver±copper epithermal veins, and stockwork mineralization in this area.

The current 2008 program involved mapping, prospecting, rock and soil geochemical sampling, GPS surveying of previous diamond drill hole collars, and underground and surface workings, and an evaluation of the property. The program verified work completed by previous operators, located previous drill holes and many of the old workings, indicated potential for the discovery of a subvolcanic copper-gold-silver (arsenic, antimony) deposit similar to Equity Silver and for calc-alkaline porphyry copper±molybdenum±gold(silver) and commonly associated epithermal gold-silver mineralization, and identified targets for follow up.

Previous production records and 2008 sampling (6.51% Cu, 4.65 g/t Au and 202 g/t Ag over 0.5m from the King Vein with 36.5% Cu, 155 g/t Au and 2306 g/t Ag from a grab sample) indicate high grade copper-gold silver vein type mineralization from the south side of Hunter Basin. Geophysical surveys and observed lineaments and a gossan, suggest continuity to the hosting structure of the King Vein. There does not appear to have been significant drilling to test the structures. The Idaho and King Veins have potential to host similar mineralization along strike and down dip. The Hankin Basin area has potential for possible bulk tonnage and local high grade copper-silver-gold mineralization with significant similarities to the past producing Equity Silver mine. Mineralization, traced for 5 km along strike and 2 km along dip, occurs in permeable horizons within andesite tuffs and in cross fractures and stockwork-breccia zones. In Dominion Basin a significant quartz sulphide vein is exposed for 15m in the Friendly

Trench returning 9.52 g/t Au, 180 g/t Ag, 1.68% Cu, 15.7% Zn and 0.95% Pb across 1.0m in 2008. There does not appear to have been extensive work in this area to trace the vein. Although mineralization was locally restricted at the Duchess prospect due to late faults, there is significant potential along strike of the persistent, 4.2 km long Princess-Duchess-Countess-Silver Heels structure.

Previous porphyry copper±molybdenum±gold(silver) exploration in the Sunsets stock focussed on the phyllic alteration zones, but previous soil sampling and continued exploration has indicated better grades peripheral to these zones. At the War Eagle stock copper-silver mineralization occurs peripheral to the intrusion as is the case at the Huckleberry Mine. High grade copper-silver mineralization is associated with felsic dykes peripheral to the poorly exposed MSJ stock and similar mineralization is associated with felsic dykes at the Joker Ridge quartz-pyrite zone and possibly related high grade Duchess copper-silver vein prospect in the Howson Basin area. The dykes may be related to mineralized stocks, the MSJ stock in the former case and a near surface buried intrusion at Joker Ridge. A mineralized dyke is also documented at the Pete showing in the Houston Tommy Creek area, outboard of the Loljuh stock.

An initial Phase 1 exploration program consisting of mapping, prospecting and sampling (south Hunter, Hankin, Sunsets, Dominion and Howson Basins, the MSJ and Loljuh stocks and at the Wolverine showing and along strike to the northeast of the Lefty), with select conventional (Sunsets stock) and MMI (MSJ stock) grid soil surveys, and induced polarization (Sunsets stock) and horizontal loop electromagnetic geophysical surveys (south Hunter Basin and Duchess structure), is recommended on the El Toro Project at a cost of $250,000 in order to delineate drill targets.

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2.0 INTRODUCTION AND TERMS OF REFERENCE

2.1 Qualified Person and Participating Personnel

Ms. Jean M. Pautler, P.Geo. was commissioned by Lions Gate Energy Inc. of Vancouver, British Columbia to examine and evaluate the geology and mineralization on the El Toro Project and to make recommendations for the next phase of exploration work in order to test the economic potential of the property. The report describes the property in accordance with the guidelines specified in National Instrument 43-101 and is based on historical information and an examination and evaluation of the property by the author from August 26 to September 6, 2008. The author was assisted in the field by Mr. Brad Davies, prospector of Wells, British Columbia.

The author directed, was involved in and was commissioned to report on the 2008 exploration program on the El Toro property, consisting of rock and soil geochemical sampling, mapping and prospecting, for assessment purposes.

2.2 Terms, Definitions and Units

All costs contained in this report are denominated in Canadian dollars. Distances are primarily reported in metres (m) and km (kilometers) and in feet (ft) when reporting historical data. The annotation 020º/55ºE refers to an azimuth of 020º, dipping 55º to the east. GPS refers to global positioning system. DDH refers to diamond drill hole. VLF-EM refers to a very low frequency type and HLEM a horizontal loop type of electromagnetic geophysical survey. Minfile showing refers to documented mineral occurrences on file with the British Columbia Geological Survey.

The term ppm refers to parts per million, which is equivalent to grams per metric tonne (g/t) and ppb refers to parts per billion. The abbreviations oz/ton and oz/t refers to troy ounces per imperial short ton. The symbol % refers to weight percent unless otherwise stated.

Elemental abbreviations used in this report include: gold (Au), silver (Ag), copper (Cu), iron (Fe), lead (Pb), zinc (Zn), molybdenum (Mo), arsenic (As), antimony (Sb), bismuth (Bi) and sulphide (S). Minerals found on the El Toro property include pyrite (iron sulphide), chalcopyrite, chalcocite and bornite (copper sulphides), tetrahedrite group (copper iron ±silver arsenic antimony sulphide), galena (lead sulphide), sphalerite (zinc sulphide), molybdenite (molybdenum sulphide) and arsenopyrite (iron, arsenic sulphide).

2.3 Source Documents

Sources of information are detailed below and include available public domain information and personally acquired data.

- Research of Minfile data at http://www.em.gov.bc.ca/Mining/Geolsurv/Minfile/default.htm .
- Research of mineral titles at http://www.em.gov.bc.ca/Mining/Geolsurv/MapPlace and http://www.mtonline.gov.bc.ca .
- Review of annual assessment and company reports filed with the Ministry of Energy and Mines.
- Review of other proprietary company data.
- Review of geological maps and reports completed by the British Columbia Geological Survey or its predecessors and the Geological Survey of Canada.
- Published scientific papers on the geology and mineral deposits of the region and on mineral deposit types.
- Work conducted on the property by the author from August 26 to September 6, 2008.

2.4 Limitations, Restrictions and Assumptions

The author has assumed that the previous documented work on the property is valid and has not encountered any information to discredit such work. Check samples collected in 2008 are consistent with the tenor of mineralization reported by previous operators but do not constitute detailed quantitative check analyses.

2.5 Scope

This report describes the geology, previous exploration history and mineral potential of the El Toro Project. Research included a review of the historical work that related to the immediate area of the property. Regional geological data and current exploration information have been reviewed to determine the geological setting of the mineralization and to obtain an indication of the level of industry activity in the area. The property was examined and evaluated by the author from August 26 to September 6, 2008.

An estimate of costs has been made based on current rates for drilling, geophysical surveys and professional fees in British Columbia.

3.0 RELIANCE ON OTHER EXPERTS

The author has relied in part upon work and reports completed by others in previous years in the preparation of this report. Checks to confirm the results of such prior work and reports has not been done. The author has no reason to doubt the correctness of such work and reports. Unless otherwise stated the author has not independently confirmed the accuracy of the data.

Further, while title documents and option agreements were reviewed for this study, it does not constitute nor is it intended to represent a legal, or any other, opinion as to the validity of the title.

4.0 PROPERTY DESCRIPTION AND LOCATION

4.1 Location (Figures 1 to 3)

The centre of the El Toro claim block is located 30 km southwest of Telkwa, which is 11 km southeast of Smithers in central British Columbia *(Figures 1 and 3)*. The property is covered by NTS map sheets 93L/5, 6 and 11 and BCGS map sheets 93L 033 to 035, 043 to 45 and 053 to 055 *(Figures 2 and 3)*. The property is centered at a latitude of 54°30'N and longitude of 127°15'W and is bisected by the northerly flowing Howson Creek drainage *(Figure 2)*. Locations of known mineralized zones are shown in Figure 2 and old workings in Figures 6 to 14.

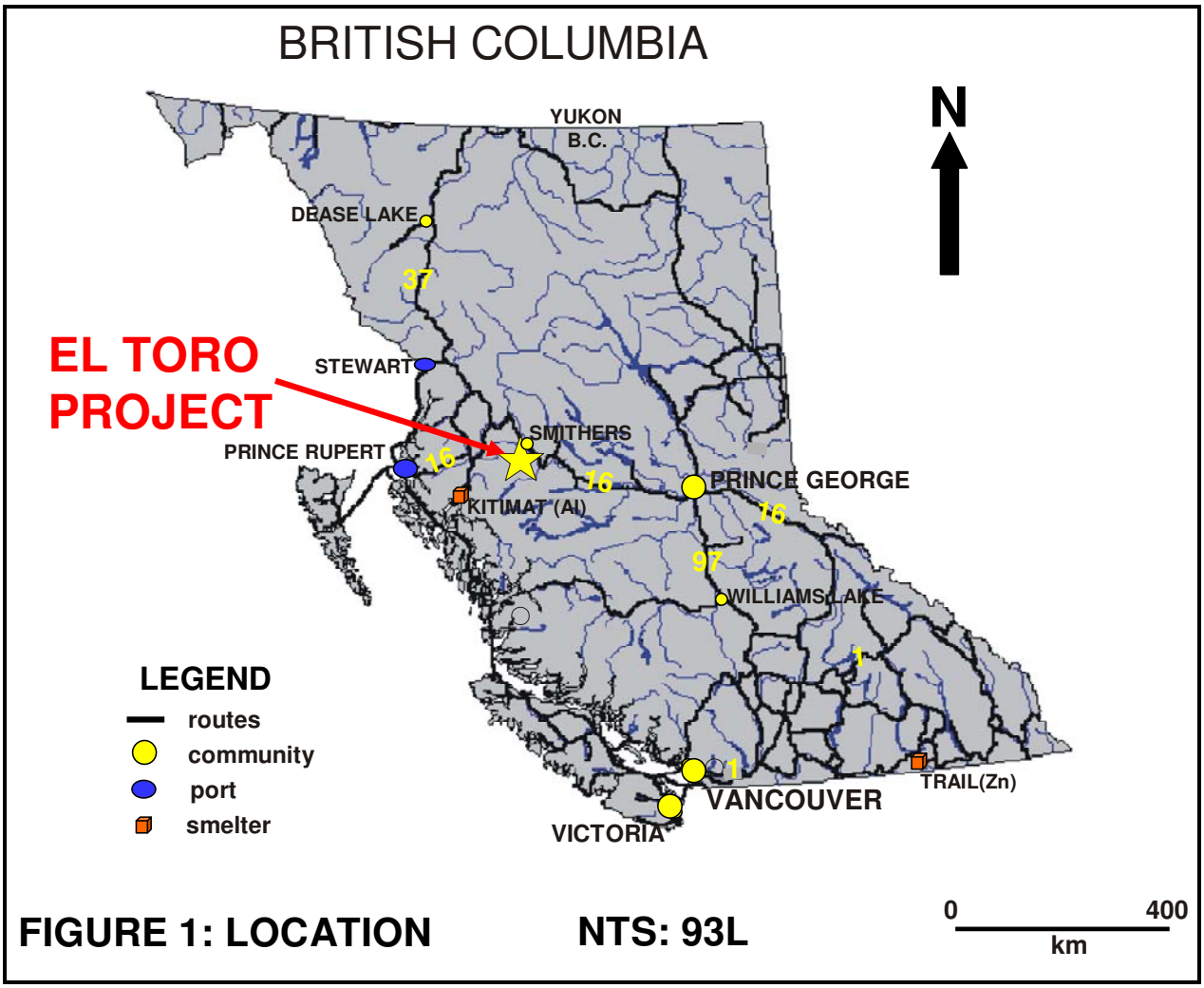


FIGURE 1: LOCATION NTS: 93L

4.2 Land Tenure (Figure 2)

The El Toro Project consists of 24 contiguous Mineral Tenure Online (MTO) claims covering an area of 33,565 hectares in the Omineca Mining Division, British Columbia *(Figure 2).* All claims were staked in accordance with Mineral Titles Online on NTS map sheets 93L/6 and 11, available for viewing at http://www.mtonline.gov.bc.ca and have not been legally surveyed.

The claims are registered in the name of Lions Gate Energy Inc., Client Number 144284. A detailed statement of claims is enclosed in Appendix I with a table summarizing pertinent claim data shown below.

TABLE 1: Claim data

Claim Name	Tenure No.	Area (ha)	Issue Date	Expiry Date*
BULL	525417	450.474	2006/jan/14	2009/dec/10
THE HOOF	554953	621.821	2007/mar/24	2009/may/11
EL TORRO 33	554956	939.781	2007/mar/24	2009/may/11
R EYE	554994	3003.585	2007/mar/25	2009/may/11
MOUTH	554998	2799.986	2007/mar/25	2009/may/11
TAIL	554999	2818.634	2007/mar/25	2009/may/11
CHEST	555000	3291.951	2007/mar/25	2009/may/11
GUTS	555001	3760.121	2007/mar/25	2009/may/11
BELLY	555002	2634.6712	2007/mar/25	2009/may/11
REAR LEGS	555003	3499.407	2007/mar/25	2009/may/11
EAR & HORNS	555004	1989.799	2007/mar/25	2009/may/11
FRONT LEG	555005	2334.945	2007/mar/25	2009/may/11
STARR 01 to 02	567390-91	941.0293	2007/oct/03	2009/may/11
MO-01 to MO-06	567601-06	2824.1869	2007/oct/06	2009/may/11
PRINCESS1 - 4	592347-49, 51	1655.2608	2008/oct/01	2009/oct/01
TOTAL		**33,565.65**		

*new expiry date based on acceptance of assessment report

Burnie – Shea Park, covering Burnie Lakes and the upper Burnie River, adjoins the southwestern property area as shown in Figures 2 to 5. The Lefty occurrence, part of the Ant prospect, lies within the park. Surveyed lots, which indicate ownership of the surface rights occur around Mooseskin Johnny Lake, the lower portion of Denys Creek, and the extreme northeast corner of the property.

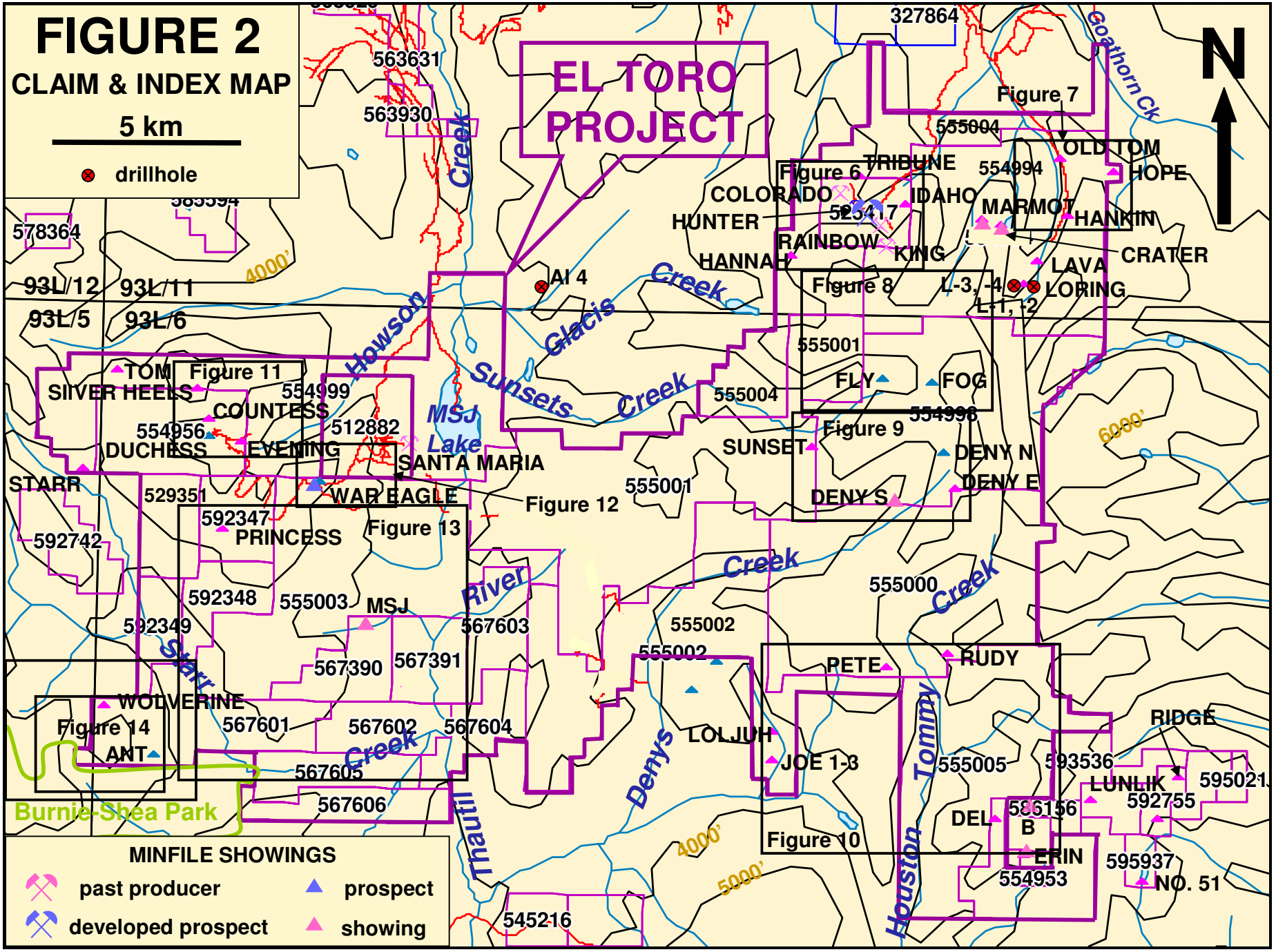


FIGURE 2
CLAIM & INDEX MAP
5 km
drillhole
EL TORO PROJECT
N
327864
563631
563930
Creek
Figure 7
555004
OLD TOM
HOPE
Goathorn Ck
Figure 6
TRIBUNE
554994
COLORADO
IDAHO
HUNTER
554917
MARMOT
HANKIN
RAINBOW
KING
CRATER
HANNAH
LAVA
LORING
L-3, -4
L-1, -2
Figure 8
555001
578364
4000'
93L/12
93L/11
93L/5
93L/6
Al 4
Howson
Glacis
Creek
Sunsets
Creek
TOM
Figure 11
SILVER HEELS
554999
COUNTESS
554956
512882
DUCHESS
EVENING
MSJ
Lake
SANTA MARIA
STARR
529351
WAR EAGLE
Figure 12
555001
FLY
FOG
555004
554996
Figure 9
SUNSET
DENY N
DENY E
DENY S
6000'
592347
PRINCESS
Figure 13
592742
592348
555003
MSJ
River
Creek
555000
Creek
592349
567603
555002
555002
Starr
567390
567391
PETE
RUDY
WOLVERINE
Figure 14
567601
567602
567604
LOLJUH
RIDGE
ANT
Creek
JOE 1-3
555005
593536
LUNLIK
595021
567605
Denys
Tommy
592755
Burnie-Shea Park
567606
DEL
585156
B
Figure 10
4000'
ERIN
595937
554953
NO. 51
5000'
Houston
Thautil
545216
MINFILE SHOWINGS
past producer
prospect
developed prospect
showing

Table 2: Minfile Occurrences

NAD 83, Zone 9

Minfile No.	Name	Status	Commodities	NTS	Easting	Northing
HANKIN BASIN						
093L 033	HOPE	Showing	AG, AU, CU	093L11E	624244	6044837
093L 034	OLD TOM	Showing	CU, AG, AU, ZN	093L11E	622780	6045107
093L 035	HANKIN	Showing	CU, AG, AU	093L11E	623036	6043599
093L 036	LORING, SLUMP BLOCK	Showing	CU, AG, MO, AU	093L11E	621936	6041713
093L 037	LAVA	Showing	CU, MO	093L11E	622279	6042310
093L 038	MARMOT, CHIMNEY	Showing	CU, AG	093L11E	620722	6043382
093L 039	CRATER LAKE, COPPER	Showing	CU, AG	093L11E	621282	6043273
HUNTER BASIN						
093L 040	IDAHO	Showing	CU, AG, AU	093L11E	618663	6043699
093L 041	KING	Past Producer	CU, AG, AU	093L11E	618206	6042574
093L 042	HUNTER	Developed Prospect	CU, AG, AU	093L11E	617334	6043603
093L 043	COLORADO	Past Producer	CU, AG, AU	093L11E	616894	6043931
093L 044	RAINBOW	Past Producer	CU, AG, AU	093L11E	618012	6043125
093L 255	TRIBUNE	Showing	AG, CU, AU	093L11E	617403	6044439
093L 080	HANNAH	Showing	AG, CU	093L11E	615625	6042198
SUNSETS BASIN						
093L 045	FOG (FLY)	Prospect	MO, CU	093L06E	618264	6038957
093L 046	FOG	Prospect	MO, CU	093L06E	619580	6038899
DOMINION BASIN						
093L 047	DENY NORTH	Prospect	AG, PB, ZN, CU, AU	093L06E	619972	6037023
093L 049	DENY SOUTH	Showing	CU, AG	093L06E	619840	6035164
093L 050	DENY EAST	Showing	CU	093L06E	620356	6036105
093L 304	SUNSET, SUN	Showing	CU, AG, AU	093L06E	616441	6037024
TOMMY HOUSTON CREEK						
093L 166	LOLJUH	Showing	PB, ZN, AG, CU	093L06E	615663	6029335
093L 168	JOE 1-3	Showing	CU	093L06E	615682	6028563
093L 227	RUDY	Showing	CU, AG, PB, ZN, MO	093L06E	620330	6031620
093L 228	PETE	Showing	CU, AG, AU	093L06E	618664	6031206
093L 299	DEL	Showing	CU, AG	093L06E	621799	6027237
HOWSON BASIN						
093L 061	PRINCESS	Showing	ZN, CU, AG	093L06W	600601	6034173
093L 062	WAR EAGLE	Prospect	CU, AG, ZN	093L06W	603164	6035560
093L 064	EVENING	Showing	CU, PB	093L06W	601016	6036563
093L 065	SILVER HEELS,	Showing	CU, AG, AU	093L06W	599780	6037928
093L 066	DUCHESS (L.1820)	Prospect	CU, AG, AU, ZN, PB	093L06W	600149	6036668
093L 067	COUNTESS (L.1826)	Showing	CU	093L06W	600139	6037132
093L 068	TOM, CONTENTION	Showing	CU	093L06W	597610	6038344
093L 069	STARR	Showing	CU, AG	093L05E	596803	6035668
STARR CREEK						
093L 241	MSJ	Showing	CU, MO	093L06W	605793	6030178
093L 189	WOLVERINE, LG	Showing	CU	093L06W	597624	6029255
093L 320	ANT 1, LEFTY	Prospect	CU, AG, ZN, AU	093L06W	599022	6028017

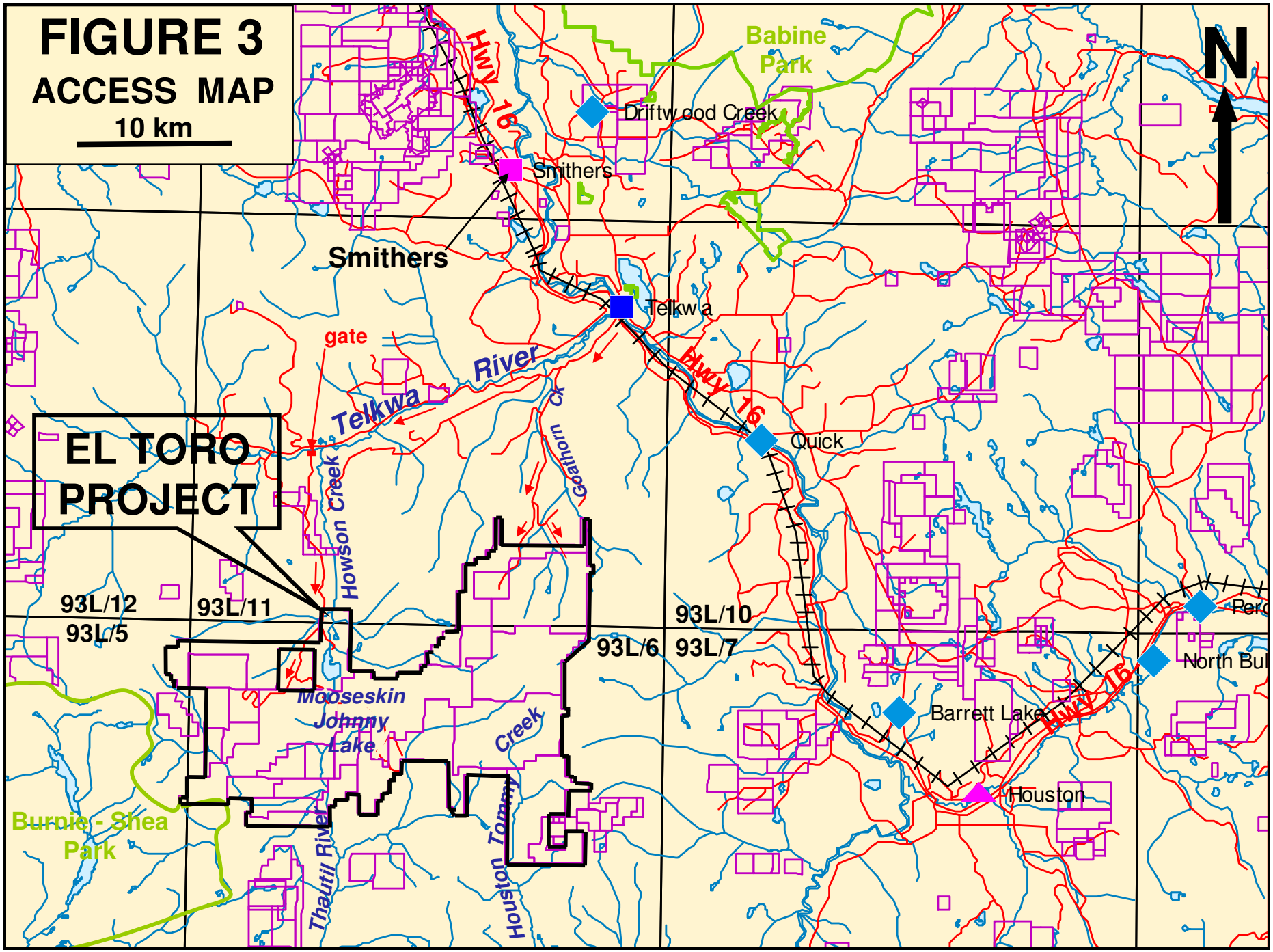


FIGURE 3
ACCESS MAP
10 km
N
Babine Park
Driftwood Creek
Smithers
Hwy 16
Smithers
Telkwa
gate
Telkwa River
Goathorn Ck
Hwy 16
Quick
EL TORO PROJECT
Howson Creek
93L/12
93L/5
93L/11
93L/6
93L/10
93L/7
Mooseskin Johnny Lake
Creek
Barrett Lake
Hwy 16
Houston
North Bul
Burnie - Shea Park
Thautil River
Houston Tommy

5.0 ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

5.1 Access, Local Resources and Infrastructure (Figures 2 and 3)

Access to the property from Telkwa is via the Coal Mine road, an all-weather gravel road, which initially follows the south side of the Telkwa River. To access the eastern property area (Hunter and Hankin Basins) the road is followed for 7 km to Goathorn Creek, at which point a logging road is taken to the south for 3 km to a junction where the right fork is followed, initially crossing Goathorn Creek, for 11 km to a second junction. The right fork accesses Hunter Basin, and continues for another 4 km at which point ATV access is recommended. The left fork, followed by a right fork, continues for 3.5 km to an ATV trail, which accesses the Old Tom-Hankin showings.

The western property area is accessed by continuing along the Telkwa River for 18 km past Goathorn Creek (to km 25), crossing a bridge to the north side of the river at km 14. At this point a locked gate (key available from the Forest Service) accesses a logging road, which is followed for 7 km, past one junction on the left at km 6.5. At 7 km a second road to the left is followed for 4 km to the end, at which point an ATV trail is followed for 3 km to a junction, then following the right branch for 6 km to the War Eagle area and another 4 km to the closest access to the MSJ showing, and followed another 4.5 km to the Princess. The ATV trail continues beyond this point to the west.

Upper Hankin Basin, Sunsets Basin, Dominion Basin, Tommy Houston Creek, Starr Creek and the Evening Creek portion of Howson Basin are best accessed by helicopter from Smithers.

Power transmission lines follow the Telkwa River, approximately 10 km north of the property, and the Bulkley River, 10 km to the east. Smithers and Telkwa lie along the Canadian National Rail line linking Prince George with Prince Rupert with freight and passenger service available at Smithers.

The town of Smithers, with a population of approximately 5,414, is the trading centre for the entire Bulkley Valley with an area population of approximately 20,000. It lies along Highway 16, part of the under-utilized Northwest transportation corridor, with Prince George located 370 km to the east and the port of Prince Rupert, 350 km to the west. Smithers has an airport with service to Vancouver and other communities within British Columbia. Facilities include a hospital, RCMP station, post office, government services, motels and hotels, grocery stores, service stations, restaurants, recreation facilities, a college, freight and courier services, bus facilities and helicopter and fixed wing aircraft bases. Smithers has a strong mining oriented labour force.

The village of Telkwa, 11 km southeast of Smithers via Highway 16, is the closest community to the property *(Figure 3)*, and has a population of 1,426. Main industries include forestry, agriculture, tourism, and mining. Facilities include accommodation (lodges and bed & breakfasts), a gas station/restaurant, recreation facilities, a small mining oriented labour force and some local heavy equipment availability.

5.2 Physiography and Climate (Figures 2 and 3)

The El Toro Project lies within the Telkwa Range, situated at the south end of the Bulkley Ranges of the Hazelton Mountains of west-central British Columbia (Figures 2 and 3).

The eastern and western portions of the property are rugged, separated by the broad and swampy Howson Creek drainage which flows northerly into the Telkwa River, which, in turn, flows easterly into the Bulkley River. Elevations range from approximately 950m along Howson Creek in the north-central property area to 2338m at the headwaters of Sunsets Creek. Vegetation primarily consists of large spruce forests, with some pine, and thickets of willow and alder which gives way to scrub balsam at subalpine elevations. Approximately one-third of the claim area lies above tree line, at approximately 1500m, with grassy highland plateaus and talus filled cirques.

Water is available year round from Howson Creek, its east and west flowing tributaries and easterly flowing tributaries of the Bulkley River, and in the south, the southerly flowing Thautil River and its tributaries *(see Figure 3)*. There does not appear to be any topographic or physiographic impediments and suitable lands occur for a potential mine, including mill, tailings storage, heap leach and waste disposal sites.

The area has a moderate climate with temperatures ranging from -10.6 to 18ºC in Telkwa. Average annual rainfall is 287 mm, and median snowfall is 197 mm. Temperatures would be cooler at the higher elevations on the property. The exploration season generally extends from mid June to mid September.

6.0 HISTORY

The El Toro Project covers 36 Minfile showings *(Figure 2)* as documented by the British Columbia Geological Survey Branch and summarized in Table 2 on page 6 *(British Columbia Minfile, 2008)*. A summary of the work completed by various operators, as documented in assessment reports filed with the British Columbia Ministry of Energy and Mines and various reports by the British Columbia Geological Survey Branch or its predecessors, is summarized below. The showings have been grouped by area due to the abundance of showings and similar history for adjacent showings. Old workings are shown in Figures 6-14.

6.1 Hunter Basin (King, Rainbow, Idaho, Hunter, Colorado, Tribune, Hannah)

1903-04 Initial discovery by W. Hunter of King, Rainbow, Hunter, Idaho showings (*BCDM, 1904-05)*.

1909-15 Two tunnels were driven on the Colorado and at least one shaft on the Tribune prior to 1915 *(Tompson, 1982)*. In 1914 38 tonnes of ore was shipped from the Colorado recovering 155,515 g Ag and 2722 kg Cu *(British Columbia Minfile, 2008)*. Several open cuts and a 4.8m adit were cut on the Hunter in 1914 exposing high grade lenses, with 23 tonnes from the dump assaying 1.2% Cu, 2523 g/t Ag and 0.69 g/t Au *(British Columbia Minfile, 2008)* and a tunnel was driven on the Hannah, with no significant mineralization encountered *(BCDM, 1915)*.

1914-41 Combined production from the King and Rainbow mines totaled 269 tonnes of hand-sorted ore which produced 8160g Au, 283,366g Ag, and 42,710 kg copper. *(British Columbia Minfile, 2008)*.

1962 Canadian American Mining Co. Inc. shipped 24.5 tonnes of ore which produced 373g Au, 11,539g Ag , and 1647 kg copper *(BCDM, 1962)*.

1967 An induced polarization survey in Hunter Basin for Canadian American Mining Co. Inc. identified several conductors that could represent the extensions of known mineralization and additional zones *(Baird, 1967)*.

1982 The Colorado tunnel was re-opened by Lloyd Gething and a 020-030º/70Wº quartz-calcite-adularia vein zone was identified with tetrahedrite and electrum *(Tompson, 1982)*.

1988 Mapping and soil geochemistry on Colorado-Tribune by Atna Resources Ltd. delineating four north trending structures with anomalous copper and silver *(Harivel, 1988)*.

1989 Old workings in Hunter Basin were located and sampled by Van Alphen *(Ethier, 1989)*.

6.2 Hankin Basin (Old Tom, Hankin, Hope, Marmot, Lava, Loring, Crater)

1899-20 Discovery of copper mineralization in Hankin Basin followed by additional discoveries in area and exploration by open cuts and adits (*BCDM, 1900 and 1915)*.

1968-69 Geochemical and magnetic and self potential geophysical surveys were completed on Loring Creek area by Falconbridge Nickel Mines with anomalies delineated *(Brown, 1968 and Rutherford, 1981),* which were followed up by 210.6m of diamond drilling in four holes *(BCDM, 1969)*.

1973-78 Geochemical and geophysical surveys by Maharaja Minerals, with diamond drilling on the Old Tom showing in 1973 and 1978 (3 holes), and on the Marmot in 1975 and 1978 (Rutherford, 1981). The average assay from chip sampling a 24.3m cliff section on the Marmot is 4.3% Cu and 109.71 g/t Ag (*McAndrew et. al., 1973)*.

1980-83 Magnetic (50 km), short VLF-electromagnetic and geochemical soil surveys on Crater Lake – Marmot areas and a short induced polarization survey on the Marmot by Mecca Minerals. Known mineralized zones were detected and additional anomalies delineated by the geophysical and soil surveys (*Rutherford, 1981 and 1983)*.

1991 Quartz-carbonate vein discovered by Skeena Resources Ltd. returned 39.6 g/t Au, 300 g/t Ag with 7.3% Pb and 8.4% Zn, 500m southwest of Loring showing *(Jamieson, 1991a)*. Suggests potential for similar mineralization to Friendly Trench at Deny North. Also Cu-Ag±Au skarn mineralization (5.5% Cu, 280 g/t Ag, 0.75 g/t Au) discovered 1 km southwest of Loring, Cu-Zn mineralization 2 km south of Loring (1.8% Cu, 10.3% Zn, 0.6 g/t Au) and significant Cu±Ag at Loring (10.6% Cu, 350 g/t Ag) *(Jamieson, 1991a)*.

6.3 Sunsets Basin (Fog, Fly)

1966-7 Copper - molybdenum stream sediment anomalies were delineated by Noranda Mines Ltd. in southwest part of the Sunsets Pluton. Mapping, soil geochemistry, trenching and VLF-electromagnetic surveys indicated a typical "porphyry" environment with several possible conductors *(Dirom, 1967)*.

1968 Soil geochemical (200 ft spacing on lines 400 ft apart) and horizontal loop electromagnetic surveys with minor mapping, delineated a western copper (rimming Fly) and eastern copper - molybdenum (Fog) soil anomaly, the latter with a weak conductive zone coincident with previous VLF anomalies. This was followed by 152.4m of diamond drilling in 2 holes on the lower Fly by Whitesail Mines Ltd. but results not reported *(Woolverton, 1969)*.

1970 Diamond drilling of 478m in 3 holes (on the upper Fly) by Ducanex Resources Ltd. under option from Whitesail Mines Ltd. but results not reported *(Allen, 1981)*.

1980-81 Nine spot check grab samples by Canadian Nickel Company Limited for Redfern Resources Ltd. yielded maximum results of 0.645% Mo with 0.08% Cu and 0.25% Mo over 0.5m from the Fog, and 0.102% Mo and 0.11% Cu from the Fly phyllic alteration zones in 1980 *(Kenyon, 1980)*. This was followed by mapping, rock and soil geochemistry to confirm previous data, and an evaluation of old drill core stored on site *(Allen, 1981)*.

1991 Significant copper in rock (up to 0.59% Cu) obtained in north to northeastern Sunsets stock by Skeena Resources Ltd. *(Jamieson, 1991a)*.

6.4 Dominion (Denys) Basin (Deny North, Deny South, Deny East, Sunset)

1989 Discovery with rumours of "oldtimers" packing out high-grade gold ore *(Kikuchi, 1985)*.

1912-14 Discovery of native silver from a narrow 035º/60ºSE quartz vein which was explored by a short adit (1,615m elevation) and several open cuts (Sunset showing) with values up to 18.8% Cu, 27.6 oz/t Ag and 0.03 oz/t Au on cliffs on south side of Sunsets Creek *(BCDM, 1915)*.

1953 Geological survey by New Jersey Zinc Exploration Ltd. in Dominion Basin with two chip samples from Deny North assaying 1.6% Cu 13% Zn 7.2% Pb 117.0 g/t Ag 3.0 g/t Au and 3.3% Cu 21% Zn 0.4% Pb 156.0 g/t Ag 0.3 g/t Au (*Kikuchi, 1985)*.

1968-69 Geological and geochemical surveys, 27.6m of pack-sack diamond drilling in 3 holes on Deny North, intersecting minor copper-silver-zinc mineralization, and diamond drilling of several holes northeast of Deny South with the last 5m of core in one hole assaying 2.72% Cu and 25 g/t Ag, all by Falconbridge Nickel Mines Inc. (*Kikuchi, 1985)*.

1973-74 Mapping and hand trenching on Deny North and South (*Kikuchi, 1985)* and Sunset *(Pardoe, 1988)* showings by Maharaja Minerals Ltd. A 2 km magnetometer survey over North showing picked up known mineralization. Nine holes diamond drilled on Deny South but inconclusive due to core poor recovery (*Kikuchi, 1985)*.

1980 Mecca Minerals conducted a detailed chip sample survey on the "Friendly Trench" at the North showing yielding an average of 70.2 g/t Ag and 2.21 g/t Au for 34 samples along 8.5m of the vein and maximum values of 342 g/t Ag and 21.6 g/t Au *(Kikuchi, 1981)*.

1984 Discovery and mapping of Deny East showing *(Kikuchi, 1985)*.

1988 A program of geological mapping, prospecting and silt sampling on the Sunset showing by Geostar Mining Corporation returned 16.53% Cu, 63.11 oz/t Ag and 0.124 oz/t Au from the ore stockpile of an old adit, which appears to have been driven on a 0.35m wide 025º/55ºSE quartz vein and maximum values of 2.73% Cu and 1.22 oz/t Ag and 0.009 oz/t Au from other mineralized stringers *(Pardoe,* 1988).

6.5 Houston Tommy Creek (Del, Joe, Loljuh, Rudy)

1967-73 Geophysics, geochemistry and 90.2m of diamond drilling in 7 holes by Noranda Exploration Co. Ltd. targeting porphyry Cu-Mo potential in a monzonite intrusion along Loljuh Creek *(Helgason, 1987 and BCDM, 1969 and 1971)*. No results were reported.

1965-69 Excavator trenching on Del in conjunction with work to east *(British Columbia Minfile, 2008)*.

1969 Geophysics, geochemistry and mapping following airborne survey by Summit Oils Ltd in Joe-Loljuh area indicating significant copper-silver-lead-zinc in soil anomalies *(Pacific Geochemical Services Ltd., 1970)*.

1970-72 Magnetic, electromagnetic and induced polarization geophysical surveys, soil geochemistry and mapping for Lobell Mines Ltd under option in Joe-Loljuh area outlining a strong chargeability anomaly with associated copper in soil geochemistry in southern survey area *(Stevenson, 1970 and White, 1972)*.

1973 Prospecting, sampling and reconnaissance mapping of the Pete, Rudy area by Maharaja Minerals Ltd with maximum results of 32.8% Cu, 6,460 g/t Ag from a 2.4m wide shear on the Rudy and an average of 5.5% Cu, 191.3 g/t Ag and 1.47 g/t Au from 0.3 to 0.9m wide veins on the Pete *(McAndrew, 1974a,b)*.

1987 Soil geochemistry (780 samples) and evaluation of showings by Geostar Mining Corp. outlined two significant copper-silver-zinc±lead±arsenic soil anomalies from Loljuh-Joe area *(Helgason, 1987)*.

1988 Follow up of RGS stream anomalies with reconnaissance soil, silt and rock sampling by Noranda Exploration Co. Ltd. outlined a 500m long Pb-Zn soil anomaly and 6.1% Cu, 25 g/t Ag from a quartz-epidote vein from Del area *(Campbell, 1988)*.

6.6 Howson Basin (Duchess, Countess, Evening, Silver Heels, Starr, Tom, War Eagle, Princess)

1905-1910 Exploration by open cuts, shafts, 2 adits on Duchess, 1 adit (21m) on Evening, and work on War Eagle by Telkwa Mines Ltd. *(Jamieson, 1991b and Cuttle, 1990)*.

1915-1917 Exploration by Jefferson-Dockrill Syndicate *(Jamieson, 1991b and Cuttle, 1990)*.

1928-29 Extension of adits by Cominco on Duchess with only narrow zones of mineralization found *(Jamieson, 1991b)*. A total of 1224m of underground workings is reported in 2 adits with the upper adit encountering good mineralization averaging 4-5% Cu in the first 27m after which the zone is cut off by faulting. Only narrow zones of mineralization were encountered in the lower adit *(Price, 1983)*.

1952 Hand trenching of Princess showing on rim of cirque by Kennecot *(Preto, 1967)*.

1966-67 An airborne electromagnetic survey followed by induced polarization, electromagnetic and self potential geophysical surveys, a soil geochemical survey, geological mapping, trenching and diamond drilling of 6 holes on the Duchess were completed by Norcan Mines Ltd. Coincident geophysical anomalies were outlined in a drift covered area *(Stevenson, 1970)*.

1968 Mapping, prospecting, sampling, geophysics and trench rehabilitation by Bethex on the Duchess and Evening *(Jamieson, 1991b)*. Bethex drill hole N-1 or Pathfinder? *(Cuttle, 1990)*

1966-70 A 2.5 km induced polarization survey, soil geochemical surveys, and in 1968 a deep drill hole, were completed by Pathfinder Resources Ltd. A broad east-west trending magnetic anomaly and copper soil anomalies were outlined associated with a stock at the War Eagle pyrite zone and the drill hole intersected porphyry style alteration *(Sharp, 1970)*.

1969-73 Access trail construction, minor trenching, followed by mapping and sampling by Maharaja Minerals Ltd. in 1973 on the Tom showing. Two vein/shear zones are reported with maximum values of 16.9% Cu and 6.58 oz/t Ag.*(Cullen and Biss, 1974)*.

1983 Minor sampling and VLF-electromagnetic geophysics by Joyce Warren returning 7% Cu and 5.74 oz/t Ag on the Duchess *(Jamieson, 1991b)*.

1991 Minor sampling and examination of Duchess and Evening adits by Skeena Resources Ltd. with the best sample returning 9% Cu and 88 g/t Ag over 1m on the Duchess and 1.9% Cu from the Evening *(Jamieson, 1991b)*.

6.7 Starr Creek (MSJ, Ant, Wolverine)

6.7.1 MSJ

1974 A 20 km induced polarization survey (with 1,000 ft line spacings by Hudson's Bay Oil and Gas Co. Ltd delineated a 5,000 by 10,000 ft chargeability high, associated with phyllic alteration in a quartz monzonite intrusion in Trail Creek (MSJ showing) and surrounding overburden covered terrain *(Homeniuk, 1974)*.

1989 A geochemical evaluation by Placer Dome Inc. on the MSJ showing for A. Schmidt, found anomalous copper and gold in rock, silt and bulk silt samples *(Schmidt, 1989)*.

1991 Grid soil samples (201 samples) were collected at 100m intervals on 200-400m spaced lines was undertaken over the 1974 chargeability high by Cominco under option. Higher values were found, especially for zinc, over the western portion of the area *(Pauwels, 1991)*.

6.7.2 Ant, Wolverine

1971 Geological and soil geochemical (339 samples) surveys and 130m of trenching by Granby Mining Co. Ltd. on the Wolverine showing, delineating breccia veins with chalcopyrite *(BCDM, 1971)*.

1987 Prospecting, mapping, magnetometer and VLF-electromagnetic surveys, and excavator trenching by Atna Resources Ltd. on Ant showing with discovery of a 3 by 0.6 km epithermal system with values up to 4.1 g/t Au across 0.6m on Lefty 1 *(Hanson, 1991)*.

1990 Mapping and soil geochemical and induced polarization surveys by Atna Resources Ltd. resulted in discovery of an 800m long shear zone with associated copper-silver-gold mineralization on Ant 1, which was followed by 1100m of diamond drilling in 7 holes. The drill program intersected a phyllic altered zone related to a major northeast trending shear zone with minor chalcopyrite, sphalerite and tetrahedrite *(Hanson, 1991)*.

In 1967 Pyramid Mining Co. Ltd. completed Turam electromagnetic and magnetic surveys on a number of claims within the El Toro Project area, including the Phil, John and Dave claims south of Starr Creek (Mo-05, -06 claims), the Al claims near the outlet of Glacis Creek, and on the Mike claims at the headwaters of Glacis and Sunsets Creeks and along Sunset Ridge to the south to delineate drill targets *(Baird, 1968)*. In 1969 one hole was diamond drilled on the Phil 6 claim, one on the Al 4 claim, one on the Mike 44 claim (west of Fly) and some holes on the Mike 3, 11, and 12 claims (above Sunset Adit). Results of this program *(BCDM, 1969)* could not be located.

In 2007 Lions Gate Energy Inc. undertook an airborne geophysical survey over the Sunset stock and completed a reconnaissance evaluation of some of the showings on the El Toro Project.

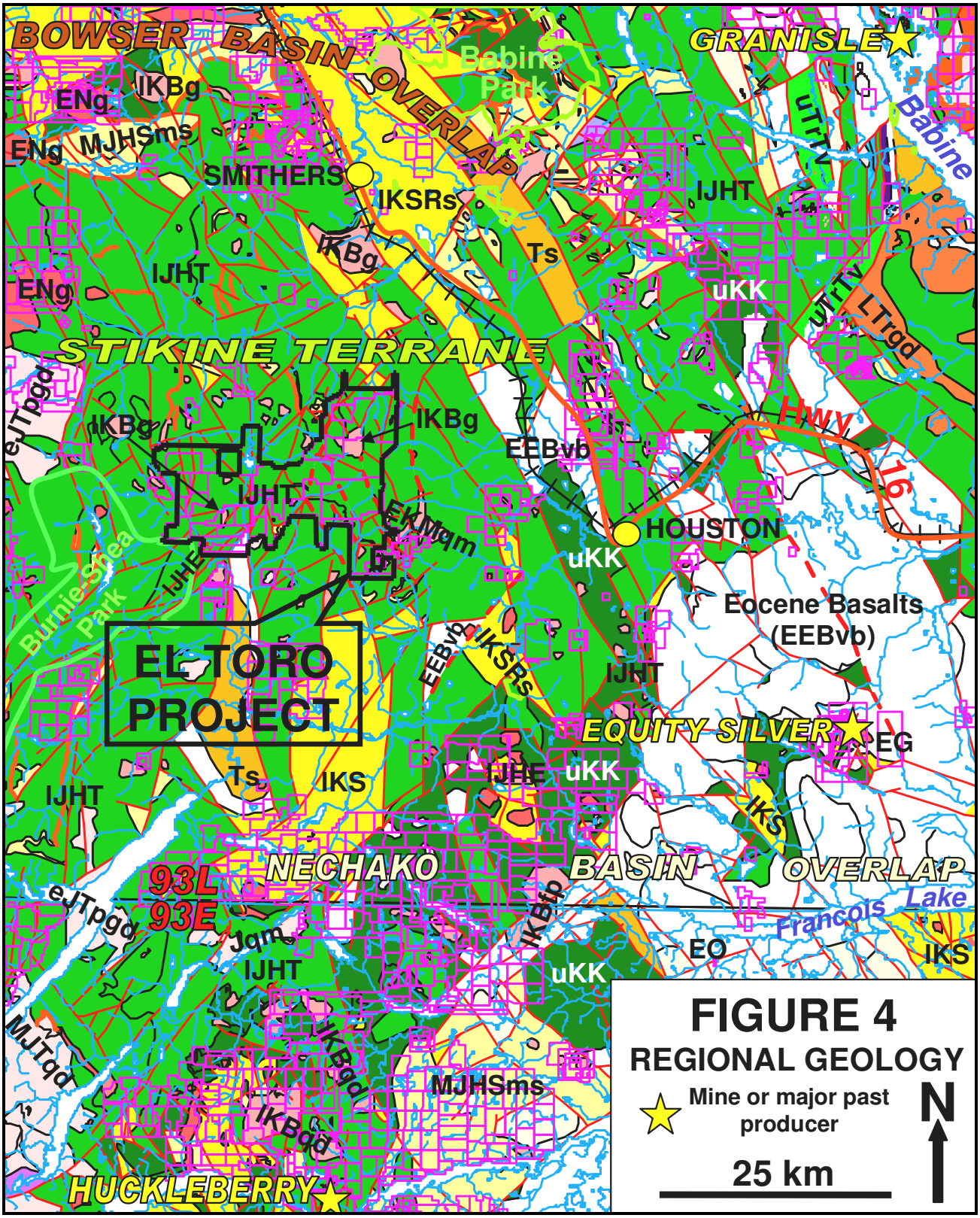
7.0 GEOLOGICAL SETTING

7.1 Regional Geology (Figure 4)

The El Toro Project is underlain by arc volcanic rocks of the Upper Paleozoic to Middle Mesozoic Stikine Terrane, allochthonous rocks accreted to North America in the Jurassic. The Stikine Terrane is intruded by post-accretionary stocks and plutons of Jurassic to Tertiary age and overlain by overlap assemblages of the Bowser Basin in the north and the Nechako Basin in the south. The following discussion of the regional geology is based on mapping by the British Columbia Geological Survey shown on Figure 4 and available at http://www.em.gov.bc.ca/Mining/Geolsurv/MapPlace.

Within the regional map area (93L and north 93E) the Stikine Terrane consists of the Lower Jurassic Hazelton Group, predominantly calc-alkaline volcanic rocks of the Lower Jurassic Telkwa Formation (**IJHT**) with minor volcaniclastic rocks of the Eagle Peak Formation (**IJHE**). Subaerial andesitic to dacitic crystal and lithic tuffs predominate over rhyolitic flows, breccia and vesicular basalt. The Hazelton Group is underlain by intermediate to mafic marine volcanic and sedimentary rocks of the Upper Triassic

Takla Group (**uTrTv**), the oldest rocks in the region, which are exposed in the northeastern map area around Babine Lake.



The Stikine Terrane is overlain by marine shale, greywacke, breccia, tuff and conglomerate of the Middle Jurassic Smithers (**MJHSms**) and Ashman Formations (**uJBAms**), and by coarse clastic rocks of the Upper Cretaceous Skeena Group (**LKS**), primarily the Red Rose Formation, which consists of shale, greywacke, conglomerate and coal (**LKSRs**).

The above lithologies are cut by intrusions of three main plutonic suites. The oldest are the Topley plutonic suite, of primarily Early Jurassic age consisting of quartz monzonite and granodiorite stocks (**EJTpgd**) arrayed in a northeast trending belt in the eastern regional map area. Small equant stocks and bosses of the Late Cretaceous Bulkley Intrusions (**lKBg**), composed of quartz monzonite, granodiorite and quartz diorite (**lKBqd**), occur in a northwest trending belt that extends from the Huckleberry Mine area through the El Toro Project area and into the north Smithers area. The youngest and most abundant intrusions are small stocks and bosses of the Eocene Nanika Intrusions, consisting of quartz monzonite, granodiorite and quartz diorite compositions that form a wide northwest trending belt across the Smithers map area (93L), coincident with that of the Bulkley Suite.

Early Tertiary sedimentary rocks (**Ts**) are exposed near the perimeter of the Bowser and Nechako Basins. Eocene basalts (**EEBvb**) extensively overlie much of the southeastern map area, within the Nechako Basin, with felsic volcanic rocks (**EO**) dominating generally south of Francois Lake.

Extensional basin and range type block faulting characterizes the area. More penetrative north-northwest and north trending faults are evident with less continuous east-northeast trending faults.

Economically, the Huckleberry copper±molybdenum±gold porphyry Mine, 70 km south of the El Toro Project, is associated with a stock of the Late Cretaceous Bulkley plutonic suite, with mineralization occurring within both the stock and the hornfelsed Telkwa Formation volcanic rocks of the Hazelton Group, both of which underlie the El Toro Project. Huckleberry opened in 1997 with a mineable reserve of 90 million tonnes of 0.51% Cu, 0.062 g/t Au and 2.8 g/t Ag. The Granisle and Bell copper±molybdenum past producing mines in the Babine Lake area are hosted by Eocene Babine intrusions of quartz diorite and biotite feldspar porphyry compositions.

The Equity Silver past producing mine, 60 km southeast of El Toro, is a subvolcanic silver-gold-copper or transitional type deposit which has similar characteristics to mineralization observed on the El Toro Project. Equity Silver produced 33.8 million tonnes of 0.4% copper, 64.9 g/t Ag, and 0.46 g/t Au. Characteristics of this deposit type will be discussed under section 8.0, “Deposit Types”.

7.2 Property Geology (Figure 5)

The El Toro Project is primarily underlain by the Telkwa Formation (**lJHT**) of the subaerial to locally submarine Lower Jurassic Hazelton Group, dominated by bedded maroon and green subaerial andesitic to dacitic crystal and lithic tuffs and lesser breccia, with minor flow interbeds including vesicular basalt. Rhyolitic flows and tuffs occur in the southwest property area (Ant-Wolverine showings) and in the southeast at

the Del and Rudy showings. Minor volcaniclastic rocks of the Eagle Peak Formation (**IJHE**), which overlies the Telkwa Formation, locally underlie part of Hunter Basin in the northeast property area, along southern Starr Creek and just east of its junction with the Thautil River in the southwest property area and just north of the Loljuh showing, south of the bend in Denys Creek. *(Refer to Figure 5.)*

Thin beds of fine clastic sedimentary rocks of the Lower Cretaceous to Jurassic Hazelton Group Nitwitka Formation (**IKJHNk**) are exposed in the eastern property area, primarily in the southeast. A small exposure of the Nitwitka Formation and coarse clastic rocks of the Late Cretaceous Skeena Group (**LKS**) underlies the south-central property area.

Small bosses, stocks and related dykes and sills of the Late Cretaceous Bulkley plutonic suite, primarily of quartz monzonite, monzonite and granodiorite compositions intrude the Hazelton Group across the El Toro Project. The best exposed stock, located above tree line in Sunsets Basin and referred to as the Sunsets stock, is approximately 2 by 3 km in size and has been radiometrically dated at 70 Ma *(Carter, 1974)*. Two distinct phases of the Sunsets stock have been recognized and mapped, grey quartz monzonite porphyry with feldspar and quartz phenocrysts in a fine grained potassium feldspar rich matrix and a later coarser grained porphyritic quartz monzonite *(Allen, 1981)*. The stock has domed the surrounding pyroclastic sequence, which dips away from the stock in all directions *(Sutherland Brown, 1967)*. A hornfels zone up to 300 m wide surrounds the Sunsets stock, *(Allen, 1981)*.

An incompletely exposed Bulkley quartz monzonite stock, possibly similar in size to the Sunsets stock, is exposed in the Starr Creek area which will be referred to as the MSJ stock. A poorly exposed quartz monzonite to granodiorite stock of the Bulkley plutonic suite, possibly of similar size, is exposed in the Houston Tommy Creek area near Loljuh Creek and will be informally referred to as the Loljuh stock. A smaller, 1km diameter Bulkley feldspar porphyry stock is exposed at the War Eagle Pyrite zone, which will be referred to as the War Eagle stock. A 1 by 2 km quartz monzonite stock has been mapped proximal to the Ant showing. A buried intrusion is suggested by alteration and dykes below Joker Ridge in the Howson Basin area.

A Bulkley quartz porphyry stock is mapped to the west of the Del showing. An Early Cretaceous aged quartz monzonite pluton (eKMqm), of the McCauley Island plutonic suite, lies just east of the southeastern property area. A number of small diorite intrusions have been identified in the property area, which may represent subvolcanic intrusions associated with the Telkwa Formation volcanic rocks.

Abundant dykes primarily associated with the Bulkley plutonic suite, including granodiorite, quartz diorite, feldspar porphyry and quartz-feldspar porphyry compositions, intrude the Hazelton Group throughout the property.

Eocene basalts of the Buck Creek Formation of the Endako Group (**EEBvb**) overlie the above lithologies in the southern property area, just west of the Thautil River and occur as dykes throughout the property area.

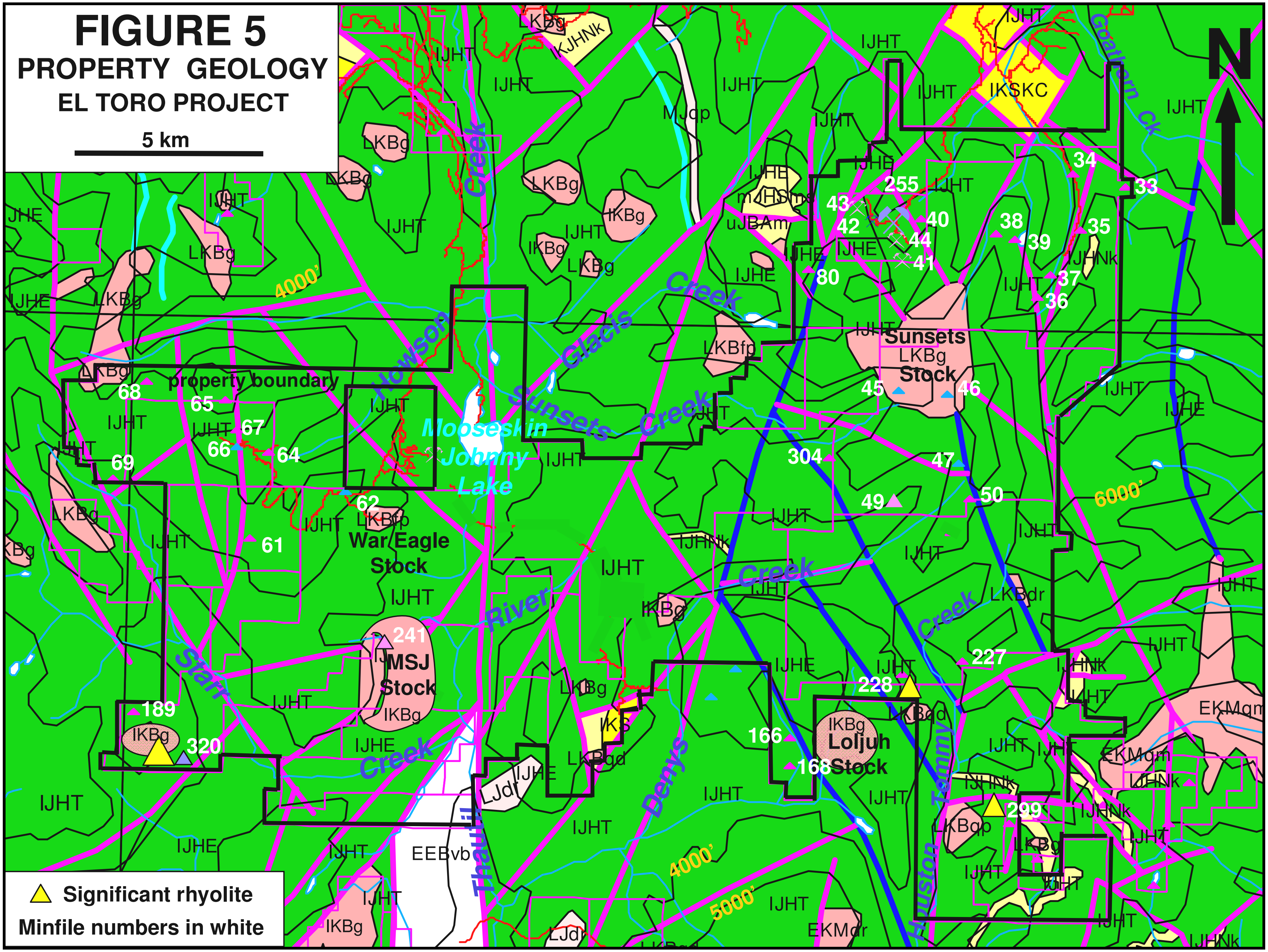


FIGURE 5
PROPERTY GEOLOGY
EL TORO PROJECT
5 km
N
Significant rhyolite
Minfile numbers in white
property boundary
Sunsets LKBg Stock
War Eagle Stock
MSJ Stock
Loljuh Stock
Mooseskin Johnny Lake
Howson Creek
Glacis Creek
Sunsets Creek
Starr Creek
River
Thautil
Denys
Houston Tommy Creek
Goathorn Ck
4000'
5000'
6000'
IKSKC
EEBvb
EKMqm
EKMdr
LKBg
IKBg
LKBfp
LKBdr
LKBqd
IJHT
IJHE
IJHNk
MJcp
uJBAm
mJHSm
LJdr
IKS

A prominent north trending fault trends through the Mooseskin Johnny Valley. Two through-going north-northeast trending faults bisect the central property area, one of which extends through Hunter Basin. Extensional basin and range type block faulting, which characterizes the regional area, is evident across the property.

8.0 DEPOSIT TYPES

The principal deposit type present on the El Toro Project is the subvolcanic copper-gold-silver (arsenic, antimony) type, also referred to as transitional or intrusion related polymetallic stockwork and vein types. The Equity Silver past producing mine, 60 km southeast of El Toro, is an example of this type of deposit. The three past producing mines and developed prospect on the El Toro Project (King, Rainbow, Colorado and Hunter) and the remaining Hunter Basin showings, and the Hankin, Dominion and Howson Basin showings, and possibly the Rudy, Pete and Joe also belong to this class of deposit.

Mineralization of the calc-alkaline porphyry copper±molybdenum±gold(silver) deposit type, commonly related to the subvolcanic type, is less abundant in the project area but is associated with the Bulkley plutonic suite which occur as stocks and dykes across the property. The Huckleberry Mine, 70 km south of the El Toro Project, is a calc-alkaline copper±molybdenum±gold porphyry type deposit associated with a stock of the Late Cretaceous Bulkley plutonic suite, with mineralization occurring within both the stock and the hornfelsed Telkwa Formation volcanic rocks of the Hazelton Group. Mineralization at the Fog and Fly fall into this category and the MSJ, War Eagle Pyrite and Loljuh SE exhibit porphyry characteristics.

Epithermal veins are commonly associated with subvolcanic and porphyry deposit types with mineralization on the Ant, Wolverine and possibly the Del of this type.

Several occurrences of copper-silver-zinc skarn mineralization with calc-silicate-magnetite skarn assemblages are recorded adjacent to dyke and plutonic contacts, in association with vein and porphyry style mineralization, e.g. Duchess, Fog-Fly, Princess, War Eagle, Tom, Deny North and Loring. The host Telkwa Formation rocks are generally lacking in carbonate members, and extensive or economic concentrations of skarn type mineralization are not likely to occur *(Dawson, 2006)*.

8.1 Subvolcanic copper-gold-silver (arsenic, antimony)

The following characteristics of the subvolcanic copper-gold-silver (arsenic, antimony) deposit model are primarily summarized from Panteleyev, (1995). Examples include the Equity Silver past producing mine in British Columbia, the Rochester District in Nevada, Kori Kollo in Bolivia, and the epithermal gold zones at Lepanto, Phillippines. Commodities are copper, gold and silver with associated arsenic and antimony.

Mineralization typically occurs as sulphide and sulphide-quartz veins, stockworks and breccias in subvolcanic intrusions with stratabound to discordant massive pyritic replacements, veins, stockworks, disseminations and related hydrothermal breccias in country rocks, located near or above porphyry copper hydrothermal systems. They commonly contain pyritic auriferous polymetallic mineralization with silver sulphosalt and other arsenic and antimony bearing minerals and occur in volcano-plutonic belts in island arcs and continental margins as well as continental volcanic arcs. Extensional tectonic regimes are favourable, allowing high level emplacement of the intrusions. Ages of mineralization are variable, although Tertiary deposits are most abundant.

Host rocks include subvolcanic (hypabyssal) stocks, rhyodacite and dacite flow-dome complexes with fine to coarse-grained quartz-phyric intrusions common. Dyke swarms and other small subvolcanic intrusions are likely to be present. Where coeval volcanic rocks are present, they range from andesite to rhyolite in composition and occur as flows, breccias and pyroclastic rocks with related epiclastic rocks (*as observed at El Toro)*.

Ore mineralogy includes pyrite, commonly auriferous, chalcopyrite and tetrahedrite-tennantite, with subordinate enargite, covellite, chalcocite, bornite, sphalerite, galena, arsenopyrite, argentite, sulphosalts, gold, stibnite, molybdenite, wolframite or scheelite, pyrrhotite, marcasite, realgar, hematite, tin and bismuth minerals. *(Ore minerals observed on the El Toro Project include pyrite, chalcopyrite and tetrahedrite-tennantite, with subordinate chalcocite, bornite, sphalerite, galena, possible arsenopyrite and stibnite, molybdenite, pyrrhotite, and hematite.)* Gangue and alteration minerals include pyrite, sericite and quartz *(typically observed at El Toro)* with minor kaolinite, alunite and jarosite primarily in supergene zones. Weathering of the pyritic zones can produce limonitic blankets with jarosite, goethite and locally alunite.

Ore zones are typically localized in strongly fractured to crackled zones in cupolas and internal parts of intrusions and flow-dome complexes, along faulted margins of high-level intrusive bodies in permeable lithologies (primary and secondary) in the country rocks. Primary controls are structural features such as faults, shears, fractured and crackled zones and breccias. Secondary controls are porous volcanic units *(as is the case in the Hankin Basin area of the El Toro Project)*, bedding plane contacts and unconformities. Breccia pipes provide channelways for hydrothermal fluids originating from porphyry copper systems and commonly carry elevated values of gold and silver *(Marmot showing may be an example)*.

Vertical zonation and superimposition of different ore types is common. Pyrite rich deposits contain enargite near surface, passing downwards into tetrahedrite/tennantite-chalcopyrite and then chalcopyrite in porphyry intrusions at depth. The vein and replacement mineralization can be separated from the deeper porphyry mineralization by 200 to 700m. Geochemical signature includes gold, copper, silver, arsenic, antimony, zinc, cadmium, lead, iron and fluorine, with molybdenum, bismuth, tungsten, and locally tin at depth.

Equity Silver produced 33.8 million tonnes of 0.4% copper, 64.9 g/t Ag, and 0.46 g/t Au primarily from bulk mineable tetrahedrite bearing zones. Kollo, Bolivia contained 10

million tonnes of oxide ore grading 1.62 g/t Au, 23.6 g/t Ag with 64 million tonnes of sulphide ore grading 2.26 g/t Au, 13.8 g/t Ag from closely spaced fracture and vein systems. Associated deposit types include high and low sulphidation epithermal gold-silver, porphyry copper±molybdenum±gold and related polymetallic veins.

8.2 Porphyry copper ±molybdenum ± gold

The following characteristics of the calc-alkaline porphyry copper±molybdenum±gold deposit model are primarily summarized from Panteleyev, (1995). Examples of the classic morphologic type of calc-alkaline porphyry include Brenda and Huckleberry in British Columbia, Bingham in Utah, USA and El Salvador in Chile. Commodities are copper, molybdenum and gold in varying quantities with minor silver in most deposits.

Classic type deposits, which appear to be the morphologic type on the El Toro Project, are stock related with multiple emplacements at shallow depths (1-2 km) of generally equant, cylindrical porphyritic intrusions, modified by numerous associated dykes and breccias. Orebodies occur along margins and adjacent to intrusions as annular ore shells. Lateral outward zoning of alteration and sulphide minerals from a weakly mineralized potassic/propylitic core is usual. Surrounding ore zones with potassic (commonly biotite-rich) or phyllic alteration contain molybdenite-chalcopyrite, then chalcopyrite and a generally widespread propylitic, barren pyritic aureole.

Mineralization typically occurs as sulfide-bearing veinlets, fracture fillings and lesser disseminations in large hydrothermally altered zones (up to 100 ha in size) with quartz veinlets and stockworks, commonly wholly or partially coincident with intrusion or hydrothermal breccias and dyke swarms, hosted by porphyritic intrusions and related breccia bodies. Sulfide mineralogy includes pyrite, chalcopyrite, with lesser molybdenite, bornite and magnetite. Two main ages of mineralization are evident in the Canadian Cordillera, Triassic to Jurassic (210-180 Ma) and Cretaceous to Tertiary (85-45 Ma).

Alteration generally consists of an early central potassic zone that can be variably overprinted by potassic (potassium feldspar and biotite), phyllic (quartz-sericite-pyrite), less commonly argillic and rarely, advanced argillic (kaolinite-pyrophyllite) in the uppermost zones.

Regional faults are important in localizing the porphyry stocks with fault and fracture sets (especially coincident and intersecting multiple sets) an important ore control. Other ore controls include internal and external igneous contacts, cupolas, dyke swarms and intrusive and hydrothermal breccias.

British Columbia porphyry copper±molybdenum±gold deposits contain 115 million tonnes of 0.37% Cu, 0.01% Mo, 0.3 g/t Au and 1.3 g/t Ag, from median values for 40 deposits with reported reserves. Porphyry deposits contain the largest reserves of copper, almost 50% of the gold reserves in British Columbia and significant molybdenum resources and are primarily mined by open pit methods. Associated

deposit types include skarn, porphyry gold, low and high sulfidation epithermal systems, polymetallic veins and sulfide mantos and replacements.

8.3 Epithermal gold-silver veins

The following characteristics of the low sulphidation epithermal gold deposit model are primarily summarized from Panteleyev, (1996). Examples include the Midas Mine of Franco Nevada in Nevada, the El Penon Mine of Meridian Minerals in Chile, and the former Baker and Cheni Mines in the Toodoggone District of British Columbia. Commodities are gold and silver with minor copper, lead and zinc.

Mineralization typically occurs as quartz veins, stockworks and breccias carrying gold, silver, electrum, argentite and pyrite with lesser and variable amounts of sphalerite, chalcopyrite, galena, rare tetrahedrite and sulphosalt minerals in high level (epizonal) to near surface environments. The ore commonly exhibits open space filling textures and is associated with volcanic-related hydrothermal to geothermal systems in volcanic island and continent margin magmatic arcs and continental volcanic fields with extensional structures.

Host rocks include most types of volcanic rocks with calcalkaline andesitic compositions predominating. Some deposits occur in areas with bimodal volcanism and extensive subaerial ashflow deposits. A less common association is with alkalic intrusive rocks and shoshonitic volcanic rocks. Clastic and epiclastic sedimentary rocks host deposits in intra-volcanic basins and structural depressions.

Gangue minerals include quartz, amethyst, chalcedony, quartz pseudomorphs after calcite and calcite, with minor adularia, sericite, barite, fluorite, calcium-mangnesium-manganese-iron carbonate minerals such as rhodochrosite, hematite and chlorite.

Alteration generally consists of extensive silicification occurring as multiple generations of quartz and chalcedony, commonly accompanied by adularia and calcite. Pervasive silicification in vein envelopes is flanked by sericite-illite-kaolinite assemblages. Intermediate argillic alteration (kaolinite-illite-montmorillonite ±smectite) forms adjacent to some veins. Advanced argillic alteration (kaolinite-alunite) may form along the tops of mineralized zones. Propylitic alteration dominates at depth and peripherally. Weathered outcrops are often characterized by resistant quartz ± alunite 'ledges' and flanking extensive, bleached, clay-altered zones with supergene alunite, jarosite and other limonite minerals.

The deposits occur in high-level hydrothermal systems from depths of approximately 1 km to surficial hotspring settings. They are associated with regional-scale fracture systems related to grabens, ±resurgent calderas, flow-dome complexes and rarely, maar diatremes. Extensional structures in volcanic fields (normal faults, fault splays, ladder veins and cymoid loops, etc.) are common; locally graben or caldera-fill clastic rocks are present. High-level (subvolcanic) stocks and/or dikes and pebble breccia diatremes occur in some areas. Locally resurgent or domal structures are related to underlying intrusive bodies.

Ore zones are typically localized in structures, but may occur in permeable lithologies. Upward-flaring ore zones centred on structurally controlled hydrothermal conduits are typical. Large (greater than 1m wide and hundreds of metres in strike length) to small veins and stockworks are common with lesser disseminations and replacements. Vein systems can be laterally extensive but ore shoots have relatively restricted vertical extent. High-grade ores are commonly found in dilational zones in faults at flexures, splays and in cymoid loops.

Deposits are commonly zoned vertically over 250 to 350m from a base metal poor, gold-silver rich top to a relatively silver rich base metal zone and an underlying base metal rich zone grading at depth into a sparse base metal, pyritic zone. From surface to depth, metal zones contain gold-silver-arsenic-antimony-mercury, gold-silver-lead-zinc-copper, silver-lead-zinc. In alkalic hostrocks tellurides, roscoelite (vanadium mica) and fluorite may be abundant, with lesser molybdenite.

Ages of mineralization are variable although Tertiary deposits are most abundant. The age is closely related to the associated volcanic rocks but invariably slightly younger in age (0.5 to 1 Ma, more or less).

Typical grade and tonnage figures for the median low sulphidation epithermal gold deposits, based on worldwide mines and U.S.A. models, include 0.77 million tonnes of 7.5 g/t Au, 110 g/t Ag and minor copper, zinc and lead for 41 Comstock-type 'bonanza' deposits and 0.3 million tonnes of 1.3 g/t Au, 38 g/t Ag and >0.3% Cu from 20 Sado-type gold-copper deposits. Associated deposit types include high sulphidation epithermal gold-silver, hotspring gold-silver, porphyry copper±molybdenum±gold and related polymetallic veins and placer gold.

Economic low sulphidation epithermal deposits are usually mined by a combination of open pit mining and underground operations with conventional cyanide milling processing, with moderate daily tonnage production. They typically contain high-grade sections, often with significant silver content, high silver to gold ratios, “clean” metallurgy, and good recoveries.

9.0 MINERALIZATION (Figures 2, 5 and 6)

The El Toro Project covers a well-mineralized area southwest of Telkwa that includes 36 Minfile occurrences, including 3 past producers, 1 developed prospect, 6 prospects and 26 showings, as documented by the British Columbia Geological Survey Branch *(Minfile, 2008.) (Refer to Figure 2 and Table 2 on pages 5 and 6.)*

9.1 Hunter Basin (King, Rainbow, Idaho, Hunter, Colorado, Tribune, Hannah)

The Hunter Basin occurrences consist of fissure veins, fracture fillings and disseminations, primarily hosted by andesitic pyroclastic rocks, interbedded flows and epiclastic rocks. Vein mineralogy consists of bornite, chalcopyrite, ±tetrahedrite,

chalcocite, specularite, lesser pyrite, pyrrhotite, galena and magnetite in quartz with lesser calcite gangue. Veins primarily trend northeast to easterly, dipping steeply southeast and commonly follow dyke, fracture and shear zones in the volcanic host rocks, accompanied by an alteration assemblage that includes intense silicification, calcite, epidote and sericite.

Electrum has been noted at the Colorado vein which trends 022º/75ºNW. The Tribune appears to cover the northerly strike extension of the Colorado. The King, Rainbow and Colorado were small past producing mines, operating primarily between 1914 and 1941. The King covers a 070º/90º trending fissure vein that was traced for 150m. The Upper West showing, approximately 250m along strike to the west, appears to represent the strike extension of the King. Approximately 600m along strike to the east of the King, a gossan occurs in a cliff face, which could represent the strike extension of this vein.

Individual vein assay values include 1.0 g/t Au, 164.5 g/t Ag, 2.0% Cu over 1.2m from the King and 2.7 g/t Au, 706.3 g/t Ag, 5.4% Cu over 1.0m from the Mohock zone on the Idaho *(BCDM, 1915)*.

In addition to high grade mineralized lenses in veins at the Hunter, disseminated mineralized is also reported over widths of 15-90 cm within a volcanic bed trending 090/25ºN. Only minor quartz stringers with occasional malachite stain have been reported from the Hannah showing.

9.2 Hankin Basin (Old Tom, Hankin, Hope, Marmot, Lava, Loring, Crater)

At the Old Tom, Hankin, Lava and Loring showings pyrite, chalcopyrite, chalcocite, pyrrhotite and magnetite with lesser, tetrahedrite and sphalerite occur as disseminations, aggregates and fracture fillings within 1-3m wide beds in the gently dipping andesite tuff host rocks. Mineralization within the beds is commonly enhanced adjacent to quartz porphyry dykes, trending 025º/50-70ºE, which cut the stratigraphy. Alteration includes silicification, with epidote, chlorite and sericite. Grades are commonly in the 0.1-1% Cu range with 5-20 g/t Ag and minor gold, locally with several percent copper, and up to 100 g/t Ag and 1.5 g/t Au. A sample from the Loring for example returned 1.0% Cu, 41.1 g/t Ag with trace gold across 1.8m *(BCDM, 1915)*. Many of the exposures occur in cliffs which have been riddled with short adits. At the Loring three mineralized horizons, up to 1.5m wide, occur within a 20m wide zone with assays averaging 65.14 g/t Ag with 0.45 to 3.12% Cu (*McAndrew et. al., 1973)*.

Mineralization at Crater Lake may be similar to the strataform mineralization described above with disseminated chalcocite reported from an andesite band in the cirque wall which returned 1.55% Cu and 101.8 g/t Ag over 3m *(Rutherford, 1983)*. At the Marmot showing a sulphide fracture filling quartz-calcite-sulphide stringer-stockwork zone was traced for 30.5m. Sulphide mineralization consists of bornite, chalcopyrite, chalcocite, and tetrahedrite. The average assay from chip sampling a 24.4m cliff section on the Marmot is 4.3% Cu and 108.7 g/t Ag (*McAndrew et. al., 1973)*.

At the Lava showing quartz-molybdenite stockwork mineralization with disseminated chalcopyrite fracture fillings is associated with granodiorite and quartz porphyry dykes, which are probably related to the Sunsets stock to the south. Anomalous molybdenum also occurs within the strataform mineralization described above suggesting proximity to the porphyry environment.

A quartz-carbonate vein 500m southwest of the Loring showing returned 39.6 g/t Au, 300 g/t Ag with 7.3% Pb and 8.4% Zn (Jamieson, 1991a), suggesting potential for a zonation to more gold rich veins, similar to mineralization at the Friendly Trench at Deny North *(Jamieson, 1991a)*.

At the Hope showing a 0.75m wide 320º/steep NE quartz vein is mineralized with chalcopyrite and pyrite with a select sample assaying 1.4 g/t Au, 171 g/t Ag and 10% Cu *(BCDM, 1933)*.

Minor quartz-garnet-epidote±magnetite skarn with chalcopyrite occurs 1 km southwest of the Loring showing returning 5.5% Cu, 280 g/t Ag, 0.75 g/t Au, and 2 km south of the Loring mineralization carrying up to 1.8% Cu, 10.3% Zn, 0.6 g/t Au was reported *(Jamieson, 1991a)*.

9.3 Sunsets Basin (Fog, Fly)

The Fog and Fly prospects are hosted by two quartz-sericite-pyrite (phyllic altered) zones within the southern part of the Sunsets stock, a Bulkley intrusion immediately south of Hunter Basin in the northeastern project area. Quartz-pyrite±molybdenite ±chalcopyrite veins 2 to 5 cm wide and trending predominantly northeasterly and dipping southeast are associated with the alteration zones *(Allen, 1981)*. Potassic alteration, suggested by pink feldspar alteration envelopes along fractures and quartz veins, is reported at a lower vertical level beneath the phyllic zones.

Vein abundance in general is sparse but the western alteration zone (Fly), measuring 300-600m by 1000m, contains between 10 and 25 veins per metre and is flanked by a copper in soil anomaly. Maximum results of 0.102% Mo and 0.11% Cu were reported in 1980 *(Kenyon, 1980)*.

The eastern phyllic zone (Fog) is 300m in diameter and lies near the eastern edge of a larger copper-molybdenum soil anomaly (maximum 1900 ppm Cu and 125 ppm Mo) at the contact between two phases of the stock. A 0.5m channel sample assayed 0.252 % Mo and 0.01 % Cu with maximum results of 0.645% Mo with 0.08% Cu *(Kenyon, 1980)*.

Significant copper in rock anomalies (up to 0.59% Cu) were subsequently obtained in the north to northeastern Sunsets stock by Skeena Resources Ltd. *(Jamieson, 1991a)*.

9.4 Dominion (Denys) Basin (Deny North, Deny South, Deny East, Sunset)

The Sunset showing covers a zone of narrow quartz veins and stringers mineralized with malachite, azurite, tetrahedrite, bornite, chalcopyrite pyrite, native copper and possible native silver. The largest vein, explored by an adit in cliffs on the south side of Sunsets Creek is 0.35m wide and trends 030º/60ºSE with values up to 18.8% Cu, 946 g/t Ag and 1.03 g/t Au *(BCDM, 1915, Pardoe, 1988)*.

At the Friendly Trench on the Deny North showing a 1m wide north trending, 35ºW dipping quartz-carbonate-sulphide vein is exposed which yielded an average of 70.2 g/t Ag and 2.21 g/t Au for 34 samples along 8.5m of the vein with maximum values of 342 g/t Ag and 21.6 g/t Au *(Kikuchi, 1981)*. Sulphide minerals include chalcopyrite, pyrite, sphalerite, galena and bornite. Quartz-diopside-epidote-magnetite garnet skarn with minor chalcopyrite and sphalerite mineralization is exposed above the vein.

Mineralization at Deny South is reported as disseminations and predominantly northwest trending, steep northeast dipping fracture fillings of chalcopyrite, chalcocite, bornite and specularite hosted by a basalt flow.

The Deny East showing (not located in 2008) is reported to consist of a 320º trending quartz vein zone traced for 70m with malachite staining and limonite boxworks within a 20m wide contact zone between andesite and pink basalt *(Kikuchi, 1985)*. No assay values were reported.

9.5 Houston Tommy Creek (Del, Joe, Loljuh, Rudy)

On Loljuh Creek chalcopyrite, bornite and molybdenite occur as disseminations in granodiorite and volcanic rocks of the Telkwa Formation *(BCDM, 1971)*. At the Loljuh showing, minor galena, sphalerite and chalcopyrite occur in quartz-siderite veins cutting andesite proximal to a carbonate unit within the sedimentary sequence.

Chalcopyrite, ±sphalerite, pyrite, pyrrhotite, bornite, galena, magnetite, chalcocite and molybdenite occur as north to northeast trending fracture fillings and quartz veins at the Joe, Pete and Rudy showings, generally hosted by andesitic volcanic rocks. At the Pete showing the veins are hosted by a northerly trending feldspar porphyry dyke, possibly related to the Loljuh stock.

Mineralization at the Del showing consists of disseminated chalcopyrite, pyrite, bornite, malachite and azurite, primarily in northerly trending quartz-epidote veins (a grab sample reported from one returned 6.1% Cu, 25 g/t Ag – *Campbell, 1988)*, but also in andesite, quartz diorite and rhyolitic host rocks.

9.6 Howson Basin (Duchess, Countess, Evening, Silver Heels, Starr, Tom, War Eagle, Princess)

The main vein type occurrence in this area is the Duchess prospect which covers a northerly trending (170º/80ºE) shear hosted quartz-sulphide vein with chalcopyrite, pyrite, tetrahedrite, and minor sphalerite and galena, at the contact between an andesite flow and tuff unit. Good mineralization averaging 4-5% Cu in the first 27.5m is reported with mineralization occurring over widths up to 3.7m after which the zone is cut off by faulting. More recent sampling from the Duchess returned 9% Cu and 88 g/t Ag over 1m *(Jamieson, 1991b)*. The Countess, 400 m north of the Duchess covers its northern strike extension.

The Duchess and Countess appear to be localized by a 170º/70ºW trending fault which has been traced 2.8 km to the south to the Princess where minor mineralization is exposed over a width of 60m, and 1.4 km north of the Duchess to the Silver Heels. At the Silver Heels showing mineralization, which assayed 34.3 g/t Ag and 2.3% Cu over 3.6m, is associated with a north/80ºE trending dyke *(BCDM, 1917)*.

The Princess, Evening, Tom and main War Eagle showings cover minor, irregular small quartz-sulphide and sulphide vein and shear occurrences, with minor associated northerly trending disseminated mineralization also noted at the Evening, Silver Heels and War Eagle. Mineralization at the Evening generally trends northeast to east, dipping moderately north. Mineralization on the Tom trends northerly, dipping 40-80ºE, is exposed over a 500m area, is commonly associated with dykes and locally contains maximum values of 16.9% Cu and 6.58 oz/t Ag *(Cullen and Biss, 1974)*.

Minor quartz-garnet-epidote±magnetite skarn with ±chalcopyrite and sphalerite occurs just west of the Duchess vein, and at the Tom and Princess showings.

The War Eagle Pyrite, 800m southeast of the main War Eagle showing, consists of a 15-25m wide iron oxide zone coincident with an induced polarization anomaly and associated with a 305º trending shear zone mineralized with pyrite and minor chalcopyrite with quartz stockworks, stringers and local breccias evident *(Sharp, 1970)*. The zone occurs within a felsic feldspar porphyry plug, 500m by 700m in size with copper soil anomalies. A drill hole in the southern part of the stock intersected porphyry style alteration but no significant mineralization. Joker Ridge, 5 km northwest of the War Eagle, consists of an extensive iron oxide-pyrite-silica zone that lies along the same northwesterly trending structure identified at the War Eagle Pyrite zone and may suggest proximity to porphyry or subvolcanic type mineralization.

The Starr showing covers minor disseminated chalcopyrite, bornite, tetrahedrite, pyrite, sphalerite and galena mineralization as disseminations in a granitic intrusion and as fracture fillings within the adjacent contact zone with intermediate volcanic rocks.

9.7 Starr Creek (MSJ, Ant, Wolverine)

The MSJ showing covers a roughly concentric zone of propylitic, argillic and phyllic alteration within a quartz monzonite stock *(Preto, 1967)*, possibly 2 by 3 km in size. The intense quartz-sericite-pyrite (phyllic) alteration forms a prominent gossan along Trail Creek which flows easterly into the Thautil River. Quartz feldspar porphyry dykes occur along the western margin of the stock, associated with pyrite-chalcopyrite mineralization in propylitically altered volcanic tuffs *(Pauwels, 1991)*. Mineralization of this type occurs along Lone Chasm Creek which was investigated in 2008. Minor quartz-molybdenite veinlets are reported, associated with argillic alteration in the western stock area *(Pauwels, 1991)*. A large hornfels alteration zone was observed in 2008 within epiclastic rocks along lower Starr Creek, which may be related to proximity to the MSJ stock.

West of Starr Creek, in the southwest El Toro Project area, epithermal style mineralization occurs within Telkwa Formation rhyolite flows, pyroclastics and andesites. At the Ant prospect a phyllic altered 800m long northeast trending shear zone with minor disseminated chalcopyrite, sphalerite and tetrahedrite was delineated *(Hanson, 1991)*. Approximately 1.5 km to the west a 3 by 0.6 km epithermal system was outlined (Lefty showing) with values up to 4.1 g/t Au across 0.6m. Mineralization occurs as 020-060º trending quartz veins, stockwork and breccia zones with minor pyrite, chalcopyrite and sphalerite, locally with more massive pyrite and chalcopyrite zones *(Hanson, 1990)*. The Wolverine showing reportedly consists of chalcopyrite bearing breccia veins hosted by Telkwa Formation volcanic rocks and dykes *(BCDM, 1971)* and may represent the northeast strike extension of the Lefty.

11.0 2008 EXPLORATION (Figures 2, 6, and 12 to 14)

The 2008 program involved mapping, prospecting, rock and soil geochemical sampling and an evaluation of the El Toro showing between August 26 and September 6, 2008. Diamond drill hole collars, the location of underground and surface workings, roads and significant reference locations were surveyed by GPS in the field using UTM coordinates, Nad 83 datum, Zone 9 projection. The data is plotted in Figures 6 to 14 and drill hole collar locations are documented in Table 4.

The results of the geochemical work are discussed below and illustrated on Figures 6 to 14, showing sample locations. The geochemical procedure is discussed under sections 13.0, “Sampling Method And Approach” and 14.0, “Sample Preparation And Security”. The new mapping and prospecting have been discussed under sections 7.2 “Property Geology” and 8.0 “Mineralization”.

11.1 GEOCHEMISTRY

11.1.1 Hunter Basin (King, Rainbow, Idaho, Colorado, Tribune, Hunter, Hannah)

The general geology and sample locations for the Hunter Basin area are shown on Figure 6. Samples were collected from the shaft area (glory hole) of the original workings on the King Vein, which lies along a narrow trench/cut that follows the trend of the vein for 40m. Most of the ore has been removed but a sample of disseminated and sulphide stringer mineralization hosted by andesite from the edge of the cut returned 6.51% Cu, 4.65 g/t Au and 202 g/t Ag over 0.5m (sample 14554). High grade dump material from the shaft returned 36.5% Cu, 155 g/t Au and 2306 g/t Ag (sample 14555), indicating local high grade sections within the vein. Similar mineralization from the Idaho showing, 600m to the northeast, returned 30.6% Cu, 1.79 g/t Au and 1886 g/t Ag (sample 14551). There appears to be an association of high silver and gold values with high concentrations of bornite.

A sample of andesite with disseminated pyrite, specularite and chalcopyrite from scattered AQ size drill core was collected returning 1104 ppm Cu, 610 ppb Au and 8.6 ppm Ag (sample 14552). A record of the drill program and drill sites could not be found. A sample of hornfelsed andesite with coarse pyrite from the cabin, which appears to be from the north rim of Glacis Basin, returned 1163 ppm Cu, 115 ppb Au and 8.5 ppm Ag (sample 14553). This style of mineralization will be discussed under section 11.1.3, “Sunsets Basin”.

The north side of Hunter Basin shows lower gold values but high silver, associated with freibergite (a silver rich variety of tetrahedrite). Mineralization consists of chalcocite, tetrahedrite with lesser chalcopyrite, as opposed to pyrite, bornite, chalcopyrite and magnetite on the south side of the basin. The Colorado adit was caved but samples from the dump returned 24.0% Cu, 75 ppb Au and 1589 g/t Ag from sulphide mineralization (sample 14556) and 2.17% Cu, 220 ppb Au and 1064 g/t Ag from mineralized drusy quartz veinlets (sample 14557). At the Tribune shaft, 450m along trend to the northeast of the Colorado, similar mineralization to the latter sample but with minor galena and sphalerite returned 1.44% Cu, 5 ppb Au and 540 g/t Ag (sample 14560). The Hunter showing could not be located.

The Hannah showing was not sampled due to the limited extent to the mineralization observed. A sample collected by Lions Gate Energy in 2007 returned 893 ppm Cu with 12.1 ppm Ag (sample 10305).

11.1.2 Hankin Basin (Old Tom, Hankin, Hope, Marmot, Lava, Loring, Crater)

The general geology and sample locations for the Hankin Plateau area (southern part of the Hankin Basin area) are shown on Figure 7. Due to poor access the Lava, Loring, Crater Lake, Marmot and Hope showings were not investigated in 2008.

The Old Tom-Hankin showings form a continuous zone that can be traced for at least 2.2 km along the cliffs on the east side of Loring Creek. The cliffs are riddled with

gopher holes (small adits) with prominent malachite stained bedded tuffs visible from the air. Reports from the Loring showing, 3 km further to the southwest, indicate a similar style of mineralization. At least one of the showings at Crater Lake also shows a stratiform character, suggesting that stratiform type mineralization continues for 5 km along strike and 2 km down dip, which is fairly flat.

Due to extensive mineralization and limited time fairly representative grab samples were collected across the beds. At the Old Tom showing, a grab sample across a 2m bed returned 2933 ppm Cu, 150 ppb Au, 13.3 ppm Ag and 2.58% Zn (sample 14461). The same bed, 50m along strike to the southeast, returned 2052 ppm Cu, 40 ppb Au, 4.2 ppm Ag and 0.14% Zn (sample 14462). Another 200m along strike to the southeast a grab from a 3-4m wide bed returned 1.27% Cu, 1.08 g/t Au, 50.3 g/t Ag with 0.066% Mo (sample 14463). Above this band another 2m bed returned 3607 ppm Cu, 650 ppb Au, 16.8 ppm Ag and 0.69% Mo (sample 14464). A further 200m along strike to the southeast 8067 ppm Cu, 225 ppb Au and 6.8 ppm Ag across 1.2m was obtained (sample 14529). A stratigraphically higher bed, another 350m along strike returned 9813 ppm Cu, 140 ppb Au, 5.1 ppm Ag with 0.073% Mo across 1.0m (sample 14533). More intensely malachite stained horizons exposed in cliffs along strike and higher in elevation occur a further 300-500m to the southeast in the Hankin showing area.

Grades appear to increase proximal to rhyolite dykes with results of 1.29% Cu, 190 ppb Au, 15.8 ppm Ag with 0.037% Mo (sample 14530) and 6.53% Cu, 1.74 g/t Au, 108 g/t Ag with 0.018% Mo (sample 14531). Calc-silicate altered andesite, probably associated with a rhyolite dyke, returned 3.18% Cu, 535 ppb Au and 16.0 ppm Ag (sample 14532). Overall values appear to increase to the south, closer to the Sunsets stock and proximal to rhyolite dykes that are probably genetically related. Molybdenum content is also higher closer to the stock with zinc more evident distally (at the Old Tom showing).

11.1.3 Sunsets Basin (Fog, Fly)

The general geology and sample locations for the Sunsets Basin area are shown on Figure 8. Maximum values from the Fog phyllic alteration zone were 0.93% Cu with 48.2 g/t Ag and 0.013% Mo from quartz-sulphide veinlets (sample 14487) and 0.26% Cu (sample 14483). A 1m chip sample returned 830 ppm Cu (sample 14481). Previous results from the southern margin of the phyllic alteration returned higher values with 0.252 % Mo and 0.01 % Cu from a 0.5m channel sample with maximum results of 0.645% Mo with 0.08% Cu *(Kenyon, 1980)*.

The best values obtained from the Fly phyllic alteration zone were also from the margins of the zone with 0.22% Cu, 945 ppb Au and 504 g/t Ag from quartz-freibergite veinlets on the west side of the zone (sample 14499) and 0.14% Cu, 455 ppb Au and 110 g/t Ag from a galena bearing stockwork near the east side (sample 14501). Samples of disseminated mineralization in the core returned maximum values of 0.05% Cu and 0.041% Mo (samples 14496, 97). In 2007 significant molybdenum results were obtained from the far eastern and southern margins of the Fly phyllic alteration zone with results of 0.0605% Mo (sample 10319) and 0.151% Mo (sample 10326) from quartz-molybdenite veinlets.

Previous and current sampling has focussed on the phyllic alteration zones which can be barren. The best molybdenum and copper values have been obtained at the outer edges of the phyllic alteration. The best copper in soil anomalies were obtained and copper-molybdenum in soil anomalies occur peripheral to the Fog zone, although a small molybdenum in soil anomaly is coincident with the Fog zone.

Outside of the Fog-Fly area, significant copper in rock anomalies (up to 0.59% Cu) were obtained in the north to northeastern Sunsets stock by Skeena Resources Ltd. *(Jamieson, 1991a)*. Exact locations could not be determined but a line of 5 talus fines from below the approximately area returned elevated copper-molybdenum results up to 237 ppm Cu and 21 ppm Mo (samples W-S1 to -4 and S-BD01). Quartz-chalcopyrite veinlets from the western Sunsets stock in Glacis Basin returned 0.57% Cu (sample 14492).

Hornfelsed andesite from northeast of the Sunsets stock returned significant zinc, anomalous copper and elevated molybdenum with maximum values of 8.23% Zn, 0.12% Cu and 0.014% Mo (samples 14494, 95, S-BD02). Due to felsenmere cover the extent of the mineralization could not be determined. No significant results were obtained from hornfelsed andesite northwest of the Sunsets stock, north of Glacis Basin (samples 14458, 59), similar to the specimens sampled from the King cabin.

11.1.4 Dominion Basin (Deny North, Deny South, Deny East, Sunset)

The general geology and sample locations for the Dominion Basin area at the head of Denys Creek are shown on Figure 9. The 14m long Friendly Trench on the Deny North showing was located and returned 9.52 g/t Au, 180 g/t Ag, 1.68% Cu, 15.7% Zn and 0.95% Pb across 1.0m from the vein (sample 14503). A grab sample of quartz-diopside-epidote-magnetite garnet skarn with minor chalcopyrite and sphalerite mineralization exposed above the vein returned 0.73 g/t Au, 4.7 g/t Ag, 0.14% Cu (sample 14504). Magnetite rich skarn did not contain significant values (sample 14505).

The drill platforms at Deny South, on the steep north slope of Denys Creek, were visible from the air but the showing was not investigated. The Deny East showing could not be found. The Sunset adit was spotted from the air but not investigated.

11.1.5 Houston Tommy Creek (Del, Joe, Loljuh, Pete, Rudy)

The general geology, showing and sample locations for the Houston Tommy Creek area are shown on Figure 10. Only two samples were collected from the Del showing returning a maximum of 0.14% Cu (sample 14479) with no anomalous precious metal values from abundant, less than 1m wide, quartz-epidote veins exposed in trenches. The Joe, Loljuh, Pete and Rudy showings were not investigated due to time constraints.

11.1.6 Howson Basin (Duchess, Countess, Evening, Silver Heels, Starr, Tom, War Eagle, Princess)

The general geology and sample locations for the Howson Basin area are shown on Figure 11, covering the Royal showings at the head of Evening Creek and on Figure 12, covering the War Eagle area. The Princess showing is shown on Figure 13. The Evening, Starr and Tom showings were not investigated in 2008.

A chip sample across the Duchess Vein and adjacent wallrock at the adit portal returned 0.82% Cu and 22.5 g/t Ag over 2m (sample 14521) and mineralized blocks of vein material contained 7.91% Cu and 100 g/t Ag (sample 14522), which is similar to a previously reported assay of 9% Cu and 88 g/t Ag over 1m *(Jamieson, 1991b)*. The vein is exposed in a pit 140m to the north with results of 0.85% Cu and 90.2 g/t Ag from the vein (sample 14519) and 1.13% Cu and 13.3 g/t Ag from the wallrock (sample 14520).

The same vein appears to be exposed in a trench at the Countess showing, 400m north of the Duchess. A grab sample across the 15m wide exposure returned 5.27% Cu and 69.9 g/t Ag (sample 14517). Another 250m to the north along strike elevated values were obtained along the ridge with results of 0.25% Cu and 5.2 g/t Ag in rock (sample 14515) and anomalous soils in the area with maximum values of 1070 ppm Cu and 41 ppm Mo (samples E-S7, S8).

Soil samples from the Silver Heels showing, 1.4 km north of the Duchess, returned maximum values of 1960 ppm Cu and 42 ppm Mo (samples E-S5, S6). A quartz vein trending 025º/75ºW, 600m east of the Silver Heels, assayed 2.35% Cu and 142 g/t Ag from the wallrock (sample 14513).

At the War Eagle showing abundant, narrow northerly trending quartz-limonite veins were found to carry values of 5.01% Cu and 87.8 g/t Ag (sample 14511) and 1.00% Cu and 46.4 g/t Ag (sample 14510).

Significant results were obtained from the War Eagle Pyrite zone, 800m southeast of the main War Eagle showing, adjacent to the northern finger of the War Eagle feldspar porphyry stock. Quartz-chalcopyrite float hosted by andesite on the eastern edge of the finger returned 6.74% Cu and 99.8 g/t Ag (sample 14524). On the west side quartz-pyrite veinlets and adjacent silicified andesite returned maximum values of 1.32% Cu and 31.6 g/t Ag (sample 14523). Soils from this area returned maximum values of 1958 ppm Cu and 64 ppm Mo (sample WE-S9). No significant values were obtained from within the War Eagle stock but soils from the western edge returned anomalous values up to 282 ppm Cu (sample S-BD04)

At Joker Ridge, 5 km northwest of the War Eagle, an extensive iron oxide-pyrite-silica zone, similar to but less intensely altered than the War Eagle Pyrite zone, is associated with rhyolite dykes that may be related to a buried intrusion in this area similar to the War Eagle stock. A sample from the zone did not contain anomalous values (sample 14512).

At the Princess showing (Figure 13) a 030º/6º0E trending quartz-carbonate vein cutting garnet-epidote-diopside skarn with ±chalcopyrite and sphalerite returned 0.71% Cu with 9.7% Zn (sample 14506).

No significant gold values were obtained from the Howson Basin showings.

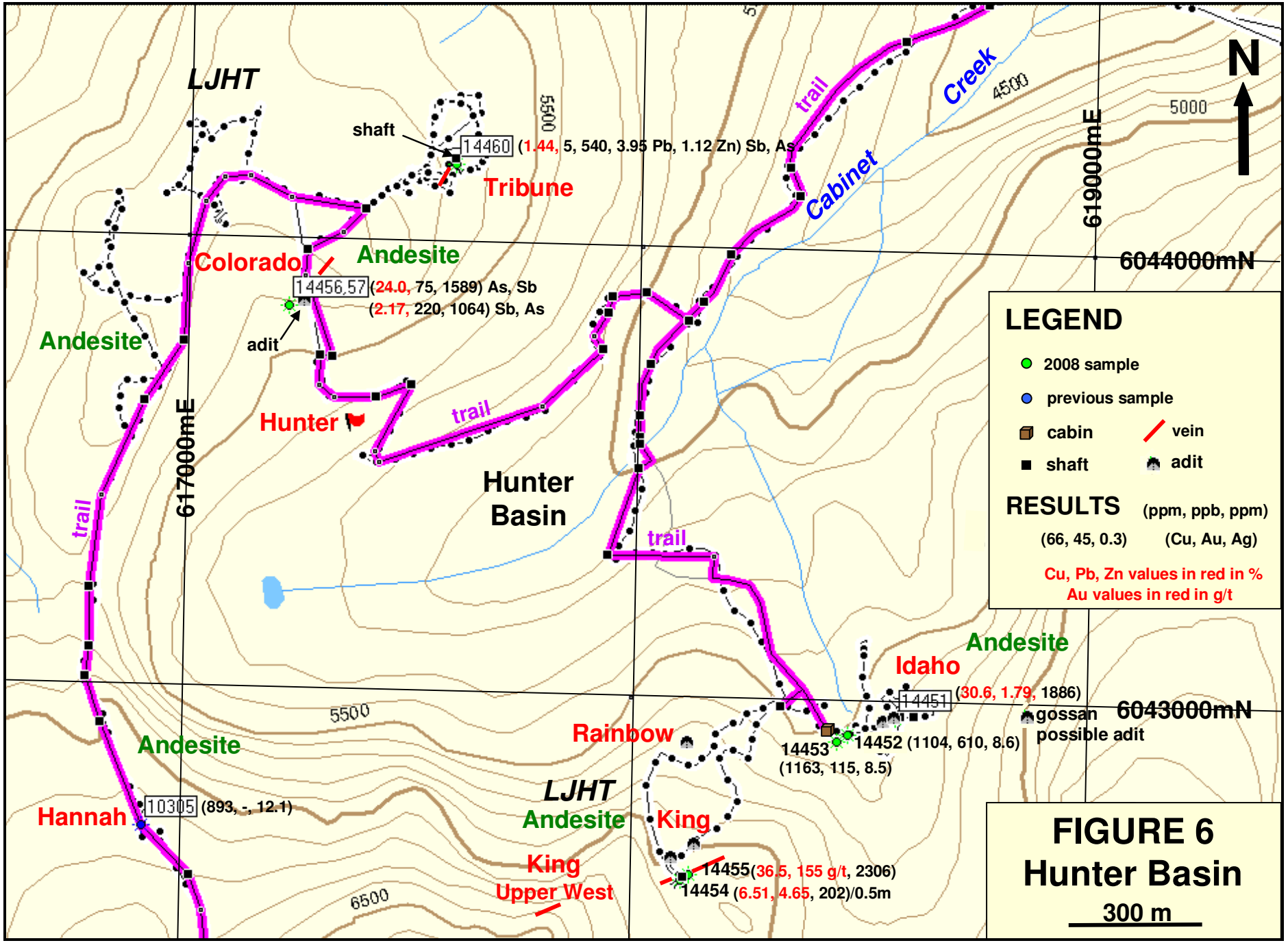
11.1.7 Starr Creek (MSJ, Ant, Wolverine)

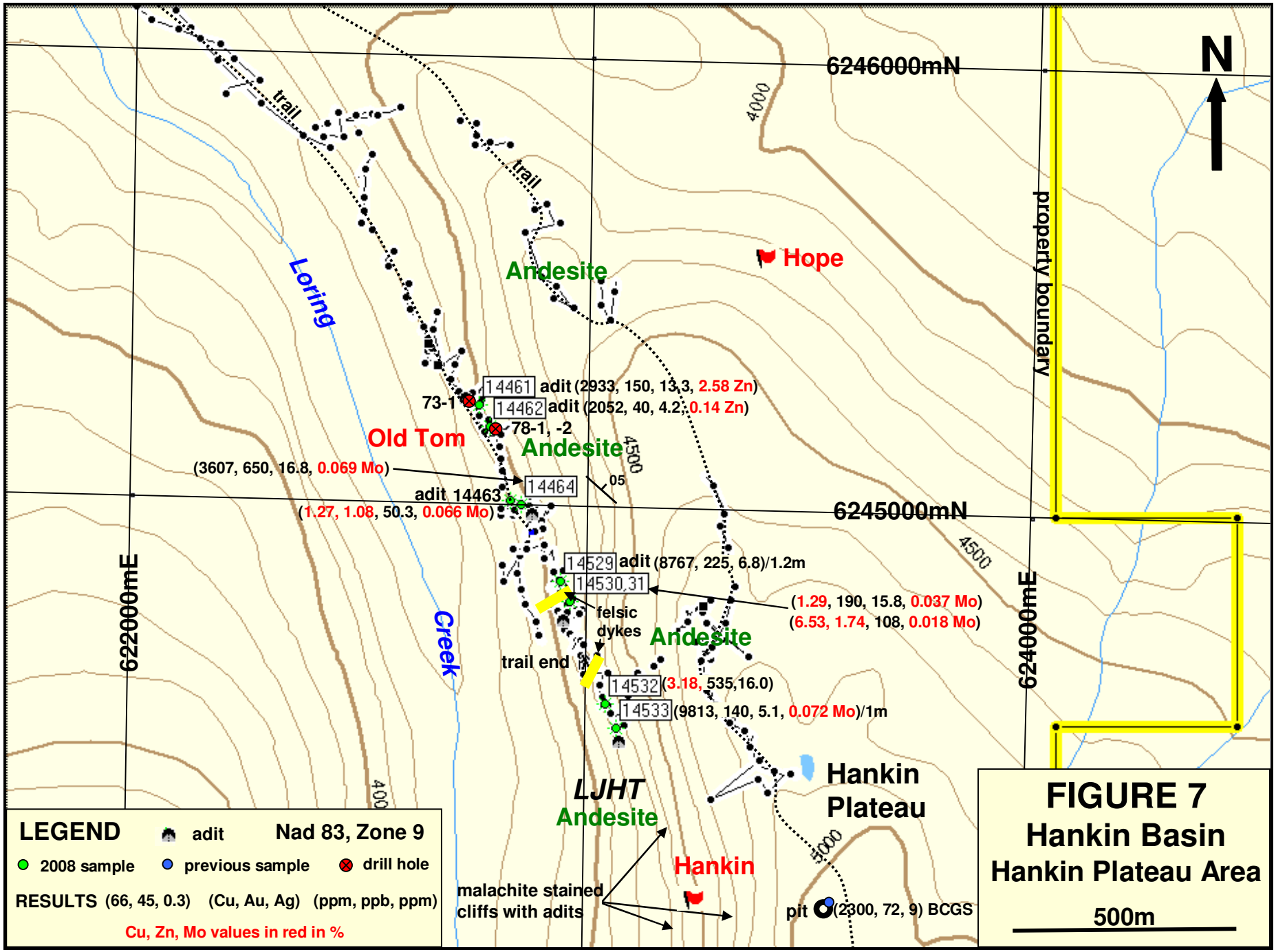
The general geology and sample locations for the Starr Creek area are shown on Figure 13, covering the MSJ and Princess showings and on Figure 14, covering the Ant, Lefty (part of the Ant) and Wolverine showings. The Wolverine showing was not investigated in 2008, but may represent the northeast strike extension of the Lefty.

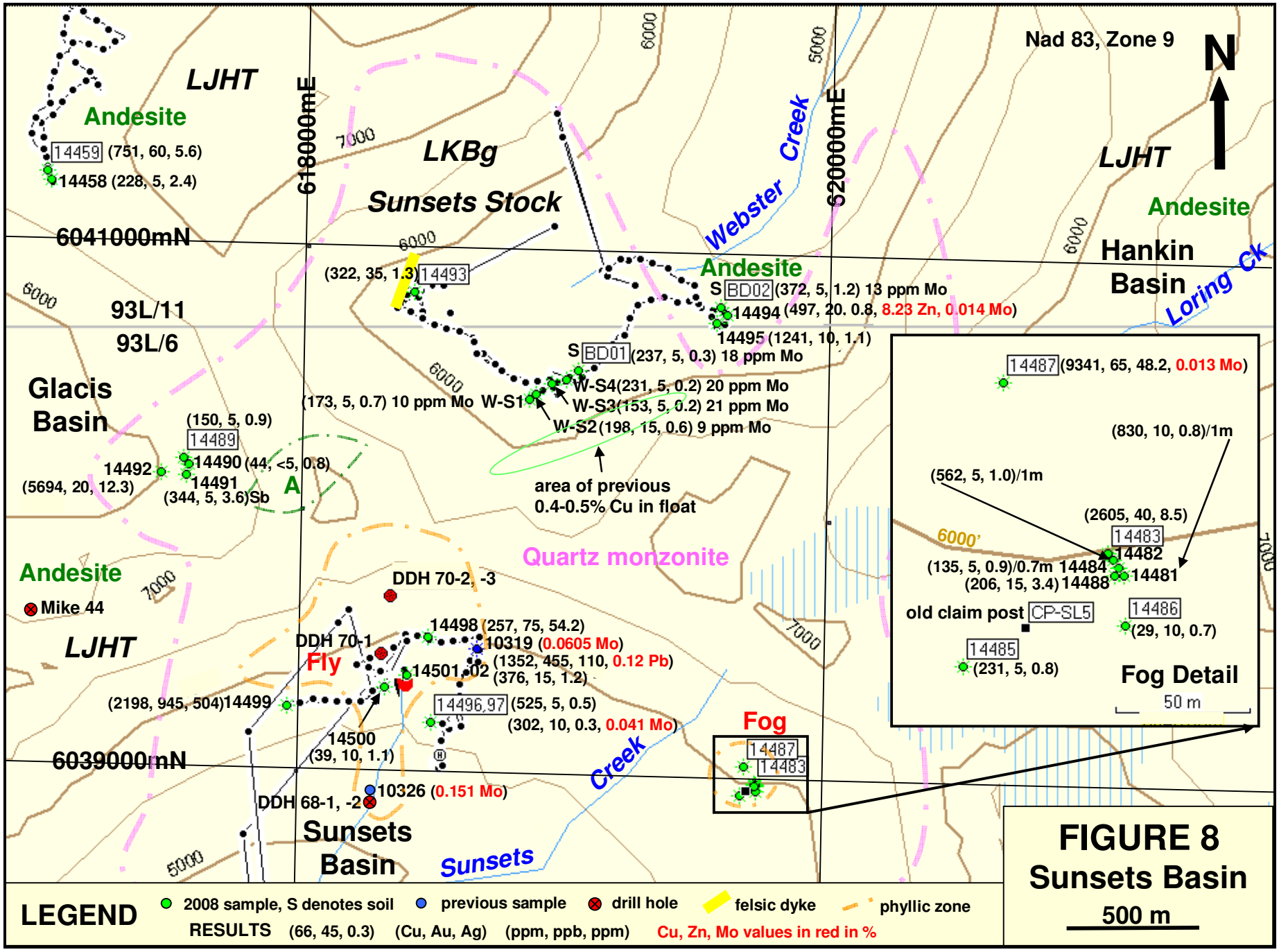
The MSJ phyllic alteration zone was not investigated due to poor access even by helicopter. A rusty chasm area to the west (referred to as Lone Chasm) was examined. Significant copper-silver mineralization is associated with felsic dykes intruding andesite on the northwestern margin of the MSJ stock. Results of 4.03% Cu, 35 ppb Au, and 146 g/t Ag over 2m were obtained from andesite adjacent to the dykes (sample 14467). An adjacent sample to the north returned 4.28% Cu, 5 ppb Au, and 51.9 g/t Ag over 0.7m (sample 14468). No significant values were obtained from the MSJ stock in this area (sample 14465). Mineralization here may be similar to that encountered on the cliffs on the western edge of the MSJ stock, approximately 1.5 km to the south, although high grades are not reported. However, sampling may have been hampered by the rugged terrain.

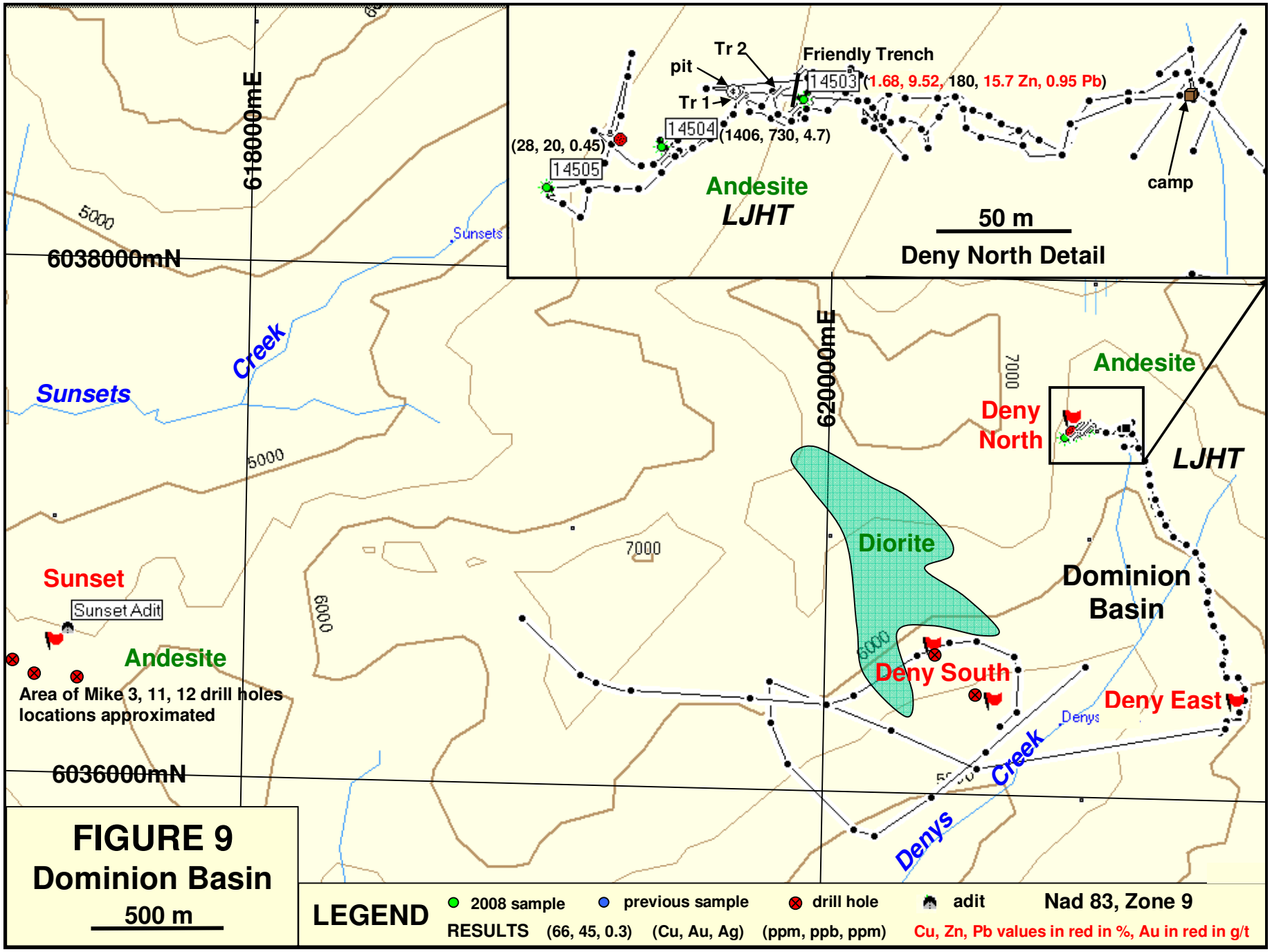
The 800m long northeast trending shear zone at the Ant prospect was located in 2008 and the southern end sampled. The structure occurs within an obvious lineament with associated silicification, a fine quartz stockwork and fine disseminated sulphide mineralization, which consists of minor sphalerite and chalcopyrite. A sample from within a 6m wide strongly altered exposure returned only 251 ppm Cu and 2.2 ppm Ag over 3m (sample 14472). A grab from the zone returned only slightly higher values (sample 14471). A less altered zone 100m along strike to the northeast returned better values with 841 ppm Cu and 28.2 ppm Ag (sample 14473). No significant gold values were obtained.

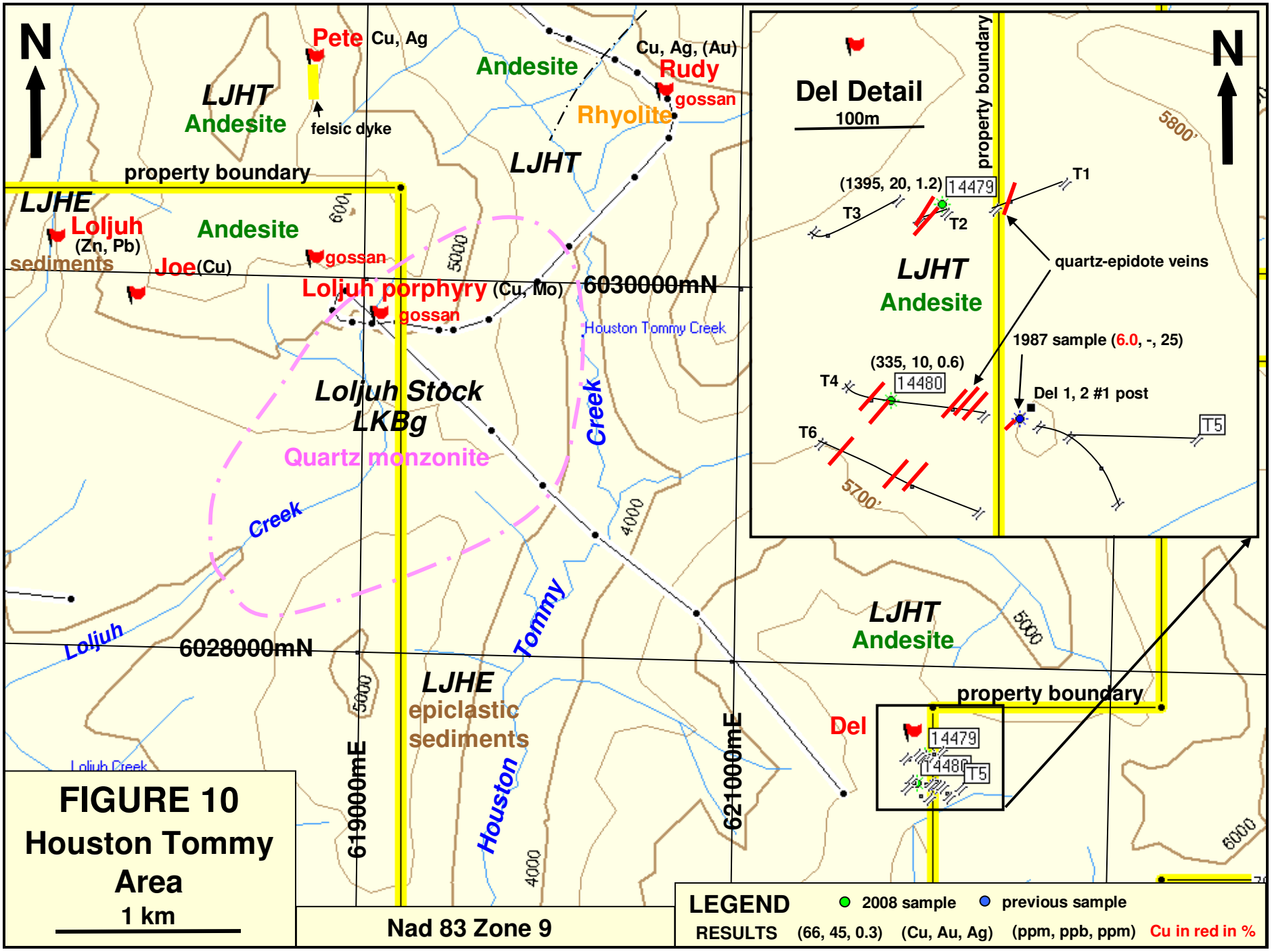
More significant results were obtained from the Lefty showing, 1.5 km to the west, which is located to the east of the property and primarily within Burnie-Shea Park. Quartz veins, stockwork and breccia zones with minor pyrite, chalcopyrite and sphalerite, locally with more massive pyrite and chalcopyrite zones, are exposed over a 3 by 0.6 km area. Maximum values obtained were 0.69% Cu, 4.96 g/t Au across 1.5m (sample 14476) from the hanging wall of a quartz stockwork breccia zone which returned 0.21% Cu, 2.09 g/t Au with 0.15% Zn across 1.5m (sample 14477).

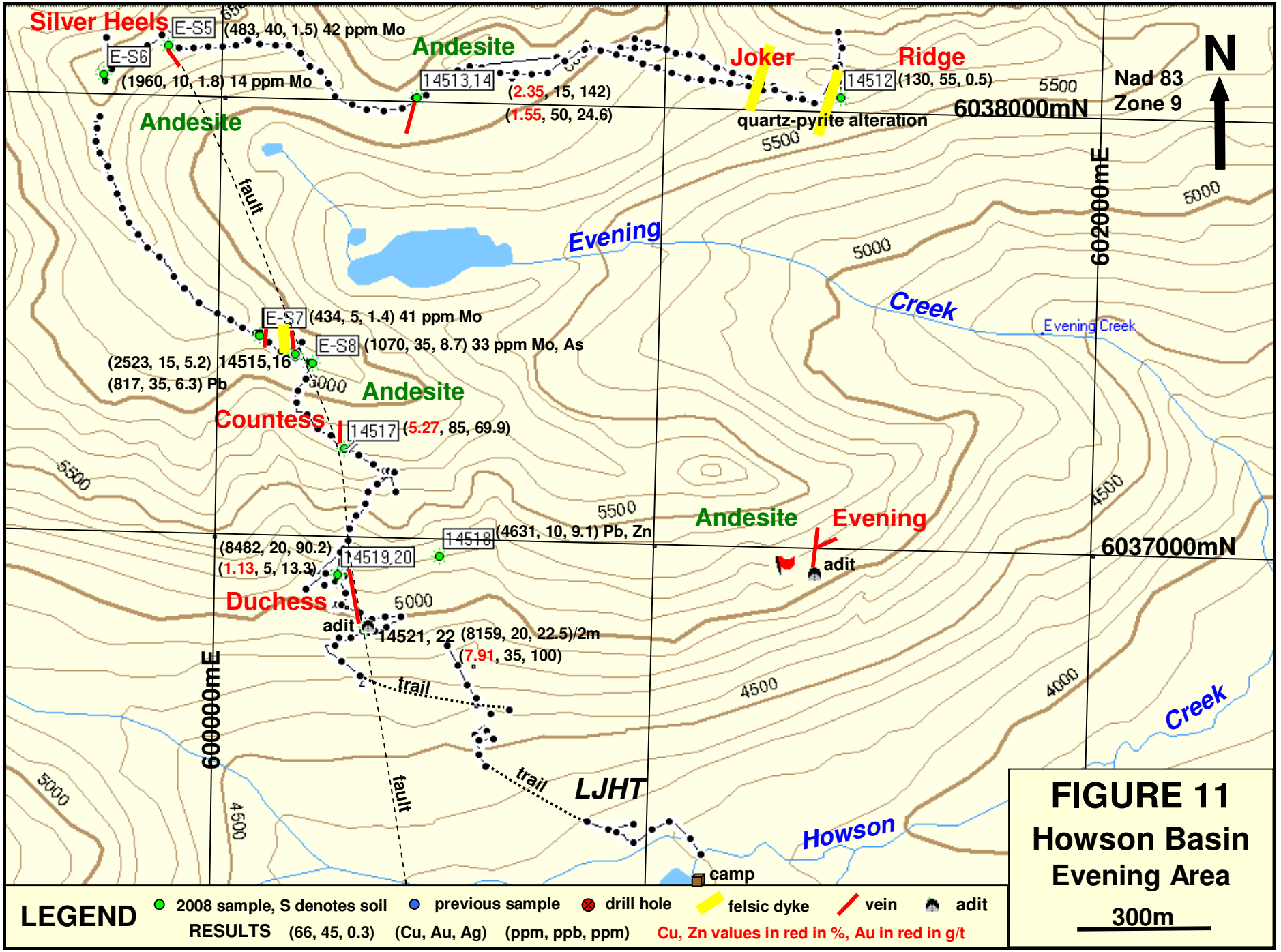

LJHT
shaft
14460 (1.44, 5, 540, 3.95 Pb, 1.12 Zn) Sb, As
Tribune
Colorado
Andesite
14456,57 (24.0, 75, 1589) As, Sb
(2.17, 220, 1064) Sb, As
adit
Andesite
Hunter
trail
Hunter Basin
trail
trail
Creek
Cabinet
5500
4500
5000
N
619000mE
6044000mN
617000mE
LEGEND
2008 sample
previous sample
cabin
vein
shaft
adit
RESULTS (ppm, ppb, ppm)
(66, 45, 0.3) (Cu, Au, Ag)
Cu, Pb, Zn values in red in %
Au values in red in g/t
Andesite
Idaho
14451 (30.6, 1.79, 1886)
gossan
possible adit
6043000mN
5500
Andesite
Rainbow
14453
(1163, 115, 8.5)
14452 (1104, 610, 8.6)
Hannah
10305 (893, -, 12.1)
LJHT
Andesite
King
King
Upper West
14455(36.5, 155 g/t, 2306)
14454 (6.51, 4.65, 202)/0.5m
6500
FIGURE 6
Hunter Basin
300 m

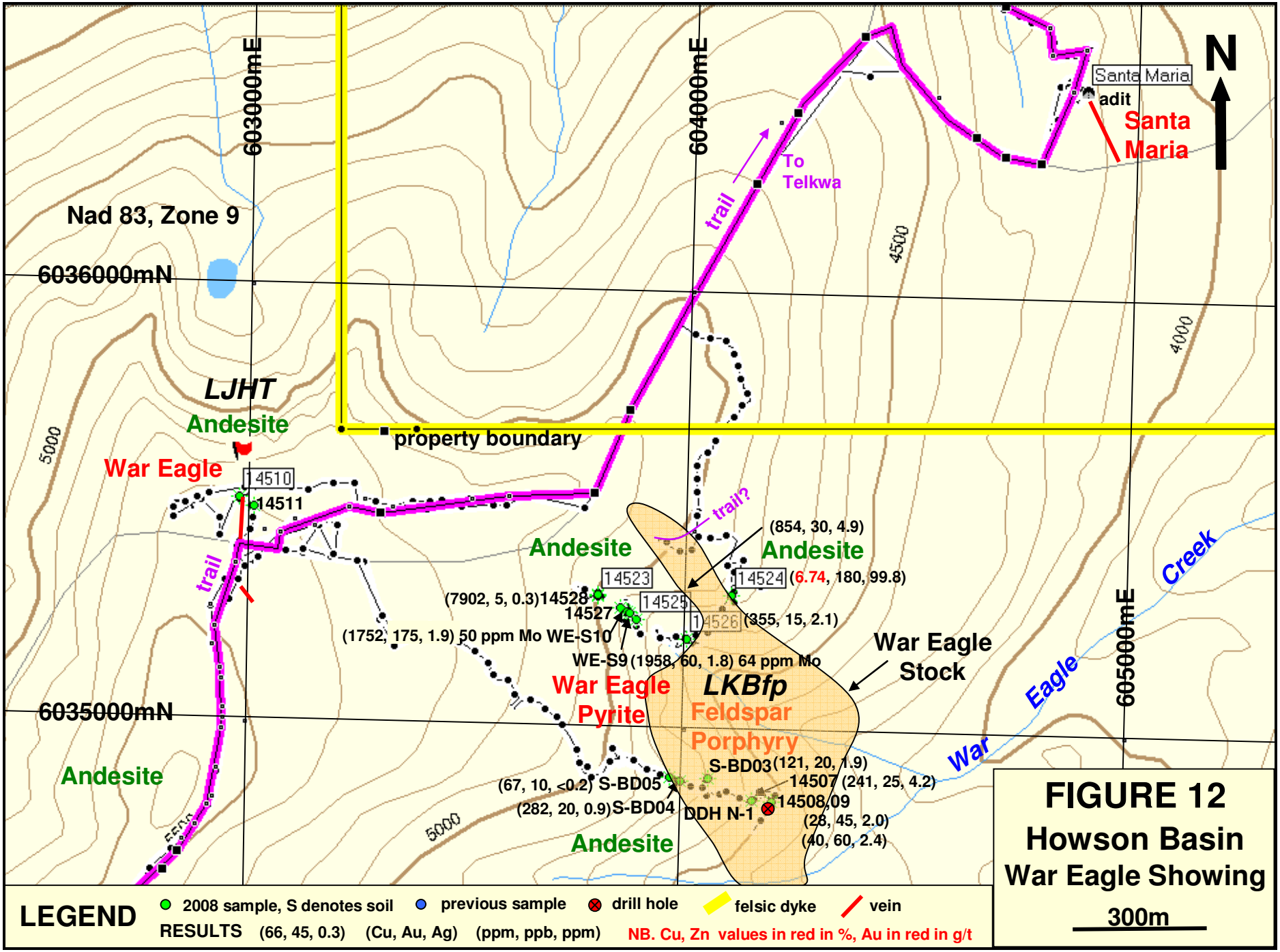

6246000mN
6245000mN
622000mE
624000mE
N
trail
trail
Loring
Creek
property boundary
Andesite
Hope
14461 adit (2933, 150, 13.3, 2.58 Zn)
73-1
14462 adit (2052, 40, 4.2, 0.14 Zn)
78-1, -2
Old Tom
Andesite
(3607, 650, 16.8, 0.069 Mo)
14464
adit 14463
(1.27, 1.08, 50.3, 0.066 Mo)
05
4500
14529 adit (8767, 225, 6.8)/1.2m
14530,31
(1.29, 190, 15.8, 0.037 Mo)
(6.53, 1.74, 108, 0.018 Mo)
felsic
dykes
Andesite
trail end
14532 (3.18, 535,16.0)
14533 (9813, 140, 5.1, 0.072 Mo)/1m
Hankin
Plateau
LJHT
Andesite
Hankin
malachite stained
cliffs with adits
pit (2300, 72, 9) BCGS
4000
5000
LEGEND
adit
Nad 83, Zone 9
2008 sample
previous sample
drill hole
RESULTS (66, 45, 0.3) (Cu, Au, Ag) (ppm, ppb, ppm)
Cu, Zn, Mo values in red in %
FIGURE 7
Hankin Basin
Hankin Plateau Area
500m

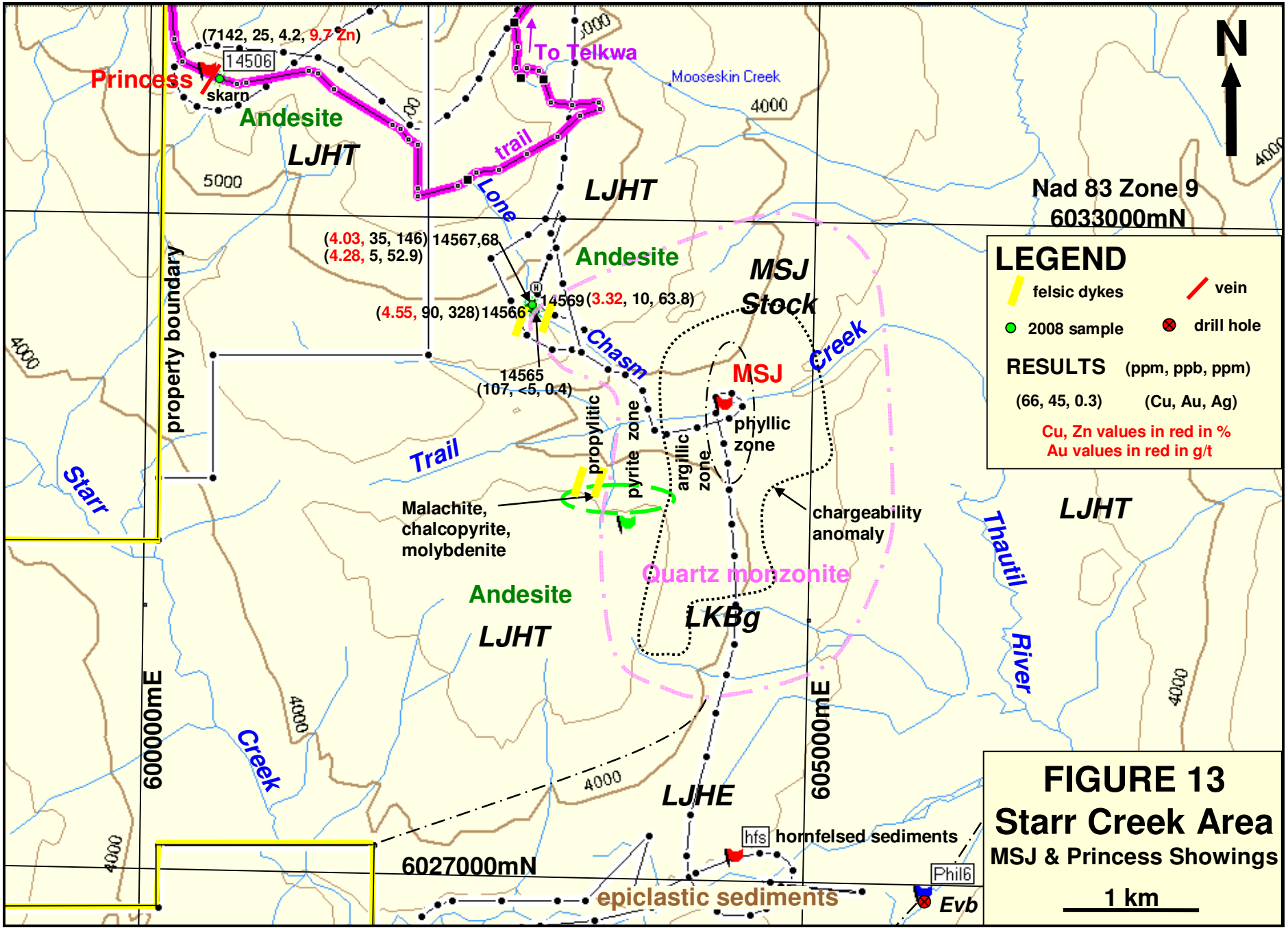

Nad 83, Zone 9
N
LJHT
Andesite
14459 (751, 60, 5.6)
14458 (228, 5, 2.4)
618000mE
LKBg
Sunsets Stock
7000
6000
5000
Webster Creek
620000mE
LJHT
Andesite
Hankin Basin
Loring Ck
6041000mN
93L/11
93L/6
(322, 35, 1.3) 14493
Andesite
S BD02 (372, 5, 1.2) 13 ppm Mo
14494 (497, 20. 0.8, 8.23 Zn, 0.014 Mo)
14495 (1241, 10, 1.1)
S BD01 (237, 5, 0.3) 18 ppm Mo
W-S4 (231, 5, 0.2) 20 ppm Mo
W-S3 (153, 5, 0.2) 21 ppm Mo
W-S2 (198, 15, 0.6) 9 ppm Mo
(173, 5, 0.7) 10 ppm Mo W-S1
Glacis Basin
(150, 5, 0.9)
14489
14492
(5694, 20, 12.3)
14490 (44, <5, 0.8)
14491
(344, 5, 3.6) Sb
A
area of previous
0.4-0.5% Cu in float
Quartz monzonite
Andesite
Mike 44
LJHT
DDH 70-2, -3
DDH 70-1
Fly
14498 (257, 75, 54.2)
10319 (0.0605 Mo)
14501.02 (1352, 455, 110, 0.12 Pb)
(376, 15, 1.2)
(2198, 945, 504) 14499
14496.97 (525, 5, 0.5)
(302, 10, 0.3, 0.041 Mo)
14500
(39, 10, 1.1)
6039000mN
DDH 68-1, -2
10326 (0.151 Mo)
Sunsets Basin
Sunsets
Creek
Fog
14487
14483
14487 (9341, 65, 48.2, 0.013 Mo)
(830, 10, 0.8)/1m
(562, 5, 1.0)/1m
(2605, 40, 8.5)
14483
14482
6000'
(135, 5, 0.9)/0.7m 14484
(206, 15, 3.4) 14488
14481
old claim post CP-SL5
14486
(29, 10, 0.7)
14485
(231, 5, 0.8)
Fog Detail
50 m
LEGEND
2008 sample, S denotes soil
previous sample
drill hole
felsic dyke
phyllic zone
RESULTS (66, 45, 0.3) (Cu, Au, Ag) (ppm, ppb, ppm) Cu, Zn, Mo values in red in %
FIGURE 8
Sunsets Basin
500 m

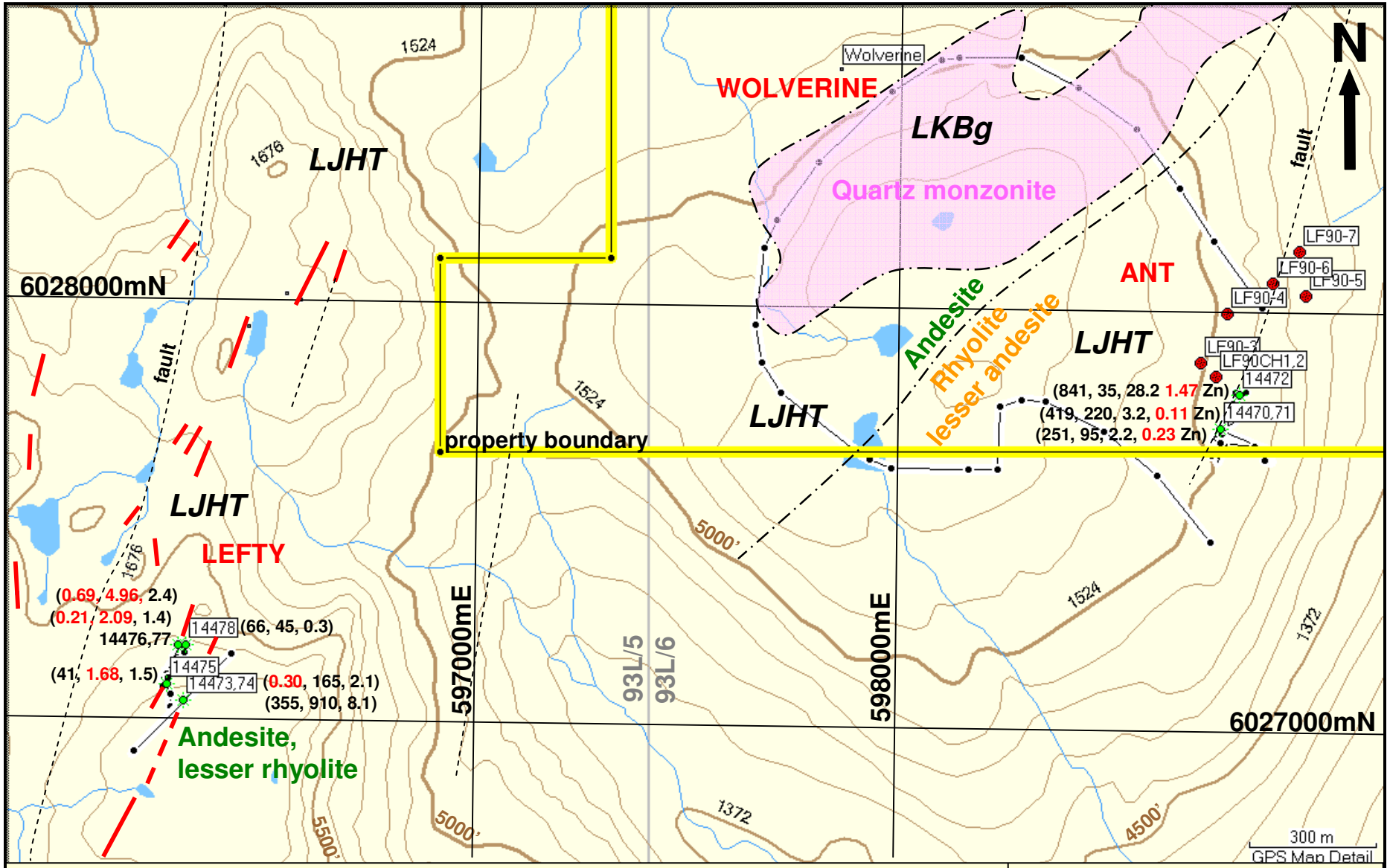

Tr 2
pit
Friendly Trench
14503
(1.68, 9.52, 180, 15.7 Zn, 0.95 Pb)
Tr 1
14504
(1406, 730, 4.7)
(28, 20, 0.45)
14505
Andesite
LJHT
camp
50 m
Deny North Detail
618000mE
620000mE
6038000mN
6036000mN
5000
6000
7000
Sunsets
Creek
Sunset
Sunset Adit
Andesite
Area of Mike 3, 11, 12 drill holes
locations approximated
Diorite
Deny
North
Andesite
LJHT
Dominion
Basin
Deny South
Deny East
Denys
Creek
Denys
FIGURE 9
Dominion Basin
500 m
LEGEND
2008 sample
previous sample
drill hole
adit
Nad 83, Zone 9
RESULTS (66, 45, 0.3) (Cu, Au, Ag) (ppm, ppb, ppm)
Cu, Zn, Pb values in red in %, Au in red in g/t


N
Pete
Cu, Ag
felsic dyke
LJHT
Andesite
property boundary
LJHE
Loljuh
(Zn, Pb)
sediments
Andesite
Joe(Cu)
gossan
Loljuh porphyry (Cu, Mo)
gossan
6030000mN
Andesite
Cu, Ag, (Au)
Rudy
gossan
Rhyolite
LJHT
Houston Tommy Creek
Loljuh Stock
LKBg
Quartz monzonite
Creek
Creek
Loljuh
6028000mN
LJHE
epiclastic
sediments
Tommy
Houston
619000mE
621000mE
LJHT
Andesite
property boundary
Del
14479
14480
T5
Loljuh Creek
6000
5000
4000
Del Detail
100m
property boundary
N
5800'
(1395, 20, 1.2)
14479
T1
T2
T3
quartz-epidote veins
LJHT
Andesite
1987 sample (6.0, -, 25)
(335, 10, 0.6)
T4
14480
Del 1, 2 #1 post
T5
T6
5700'
FIGURE 10
Houston Tommy
Area
1 km
Nad 83 Zone 9
LEGEND
2008 sample
previous sample
RESULTS (66, 45, 0.3) (Cu, Au, Ag) (ppm, ppb, ppm) Cu in red in %


Silver Heels
E-S5
(483, 40, 1.5) 42 ppm Mo
E-S6
(1960, 10, 1.8) 14 ppm Mo
Andesite
Andesite
14513,14
(2.35, 15, 142)
(1.55, 50, 24.6)
Joker
Ridge
14512
(130, 55, 0.5)
quartz-pyrite alteration
Nad 83
Zone 9
N
6038000mN
602000mE
fault
Evening
Creek
Evening Creek
E-S7
(434, 5, 1.4) 41 ppm Mo
E-S8
(1070, 35, 8.7) 33 ppm Mo, As
(2523, 15, 5.2) 14515,16
(817, 35, 6.3) Pb
Andesite
Countess
14517
(5.27, 85, 69.9)
Andesite
Evening
adit
6037000mN
14518
(4631, 10, 9.1) Pb, Zn
(8482, 20, 90.2)
(1.13, 5, 13.3)
14519,20
Duchess
adit
14521, 22
(8159, 20, 22.5)/2m
(7.91, 35, 100)
trail
600000mE
fault
trail
LJHT
Howson
Creek
camp
5500
5000
4500
4000
LEGEND
2008 sample, S denotes soil
previous sample
drill hole
felsic dyke
vein
adit
RESULTS (66, 45, 0.3) (Cu, Au, Ag) (ppm, ppb, ppm) Cu, Zn values in red in %, Au in red in g/t
FIGURE 11
Howson Basin
Evening Area
300m


603000mE
604000mE
605000mE
N
Santa Maria
adit
Santa Maria
To Telkwa
trail
Nad 83, Zone 9
6036000mN
6035000mN
4500
4000
5000
LJHT
Andesite
War Eagle
property boundary
14510
14511
trail
trail?
Andesite
Andesite
14523
14524
14525
14526
(854, 30, 4.9)
(6.74, 180, 99.8)
(7902, 5, 0.3)14528
14527
(355, 15, 2.1)
(1752, 175, 1.9) 50 ppm Mo WE-S10
WE-S9 (1958, 60, 1.8) 64 ppm Mo
War Eagle Stock
War Eagle Pyrite
LKBfp
Feldspar Porphyry
Andesite
S-BD03 (121, 20, 1.9)
14507 (241, 25, 4.2)
(67, 10, <0.2) S-BD05
(282, 20, 0.9)S-BD04
DDH N-1
14508,09
(28, 45, 2.0)
(40, 60, 2.4)
Andesite
Creek
Eagle
War
LEGEND
2008 sample, S denotes soil
previous sample
drill hole
felsic dyke
vein
RESULTS (66, 45, 0.3) (Cu, Au, Ag) (ppm, ppb, ppm)
NB. Cu, Zn values in red in %, Au in red in g/t
FIGURE 12
Howson Basin
War Eagle Showing
300m


(7142, 25, 4.2, 9.7 Zn)
14506
Princess
skarn
Andesite
LJHT
5000
trail
To Telkwa
Mooseskin Creek
4000
Lone
LJHT
Nad 83 Zone 9
6033000mN
(4.03, 35, 146) 14567,68
(4.28, 5, 52.9)
Andesite
MSJ
Stock
14569 (3.32, 10, 63.8)
(4.55, 90, 328) 14566
Chasm
Creek
14565
(107, <5, 0.4)
MSJ
property boundary
propylitic
pyrite zone
argillic
zone
phyllic
zone
Trail
Starr
Malachite,
chalcopyrite,
molybdenite
chargeability
anomaly
LJHT
Thautil
River
Quartz monzonite
LKBg
Andesite
LJHT
600000mE
605000mE
Creek
4000
LJHE
hfs hornfelsed sediments
6027000mN
Phil6
epiclastic sediments
Evb
N
LEGEND
felsic dykes
vein
2008 sample
drill hole
RESULTS (ppm, ppb, ppm)
(66, 45, 0.3) (Cu, Au, Ag)
Cu, Zn values in red in %
Au values in red in g/t
FIGURE 13
Starr Creek Area
MSJ & Princess Showings
1 km



LEGEND

Nad 83 Zone 9

2008 sample drill hole vein

RESULTS (66, 45, 0.3) (Cu, Au, Ag) (ppm, ppb, ppm) NB. Cu, Zn values in red in %, Au in red in g/t

FIGURE 14
Starr Creek Area
Ant, Lefty & Wolverine

12.0 SAMPLING METHOD AND APPROACH

A total of 87 rock samples and 15 soil samples (denoted by “S”) were collected from the property during the 2008 program for geochemical analysis. The samples were located and recorded by GPS in the field using UTM coordinates, Nad 83 datum, Zone 9 projection. Sample locations, and descriptions with select results (copper, gold, silver, arsenic and molybdenum) are documented in Appendix II and complete results are outlined in Appendix III. Sample locations are shown in Figures 6 to 14 with previous adit and drill hole locations.

The rock samples across the property primarily consisted of chip and grab samples of quartz veins, sulphide mineralization and altered zones, exposed as float, subcrop and outcrop. An attempt was made to locate and verify some of the previous significant results reported from the property. The samples were placed in clear plastic sample bags, numbered and secured in the field.

The soil samples were collected as reconnaissance samples from the B or C horizon with a rock hammer and placed in waterproof kraft bags, numbered and secured.

13.0 SAMPLE PREPARATION AND SECURITY

The samples were personally delivered to Greyhound in Smithers and sent directly to Eco Tech Laboratory Ltd. (Alex Stewart Geochemical), Kamloops, British Columbia, an ISO 9001 accredited facility, registration number CDN 52172-07 for preparation and analysis. The samples were analyzed for Al, Sb, As, Ba, Bi, Cd, Ca, Cr, Co, Cu, Fe, La, Pb, Mg, Mn, Mo, Na, Ni, P, Ag, Sr, Ti, Sn, W, U, V, Y and Zn using a 28 element ICP package which involves a nitric-aqua regia digestion. Gold was analyzed by fire assay with an atomic absorption finish. Laboratory sample preparation and analysis procedures are outlined in Appendix III.

Quality control procedures were implemented at the laboratory, involving the regular insertion of blanks and standards and check repeat analyses and resplits (re-analyses on the original sample prior to splitting).

There is no evidence of any tampering with or contamination of the samples during collection, shipping, analytical preparation or analysis. All sample preparation was conducted by the laboratories.

14.0 DATA VERIFICATION

The current geochemical data was verified by sourcing original analytical certificates and digital data. Analytical data quality assurance and quality control was indicated by the favourable reproducibility obtained in laboratory standards, blanks and duplicates. There does not appear to have been any tampering with or contamination of the samples during collection, shipping, analytical preparation or analysis.

15.0 Drilling

No drilling was undertaken during the current 2008 program. At least 16 drill programs, only totalling approximately 3800 metres in approximately 60 holes, were completed on twelve of the showings on the El Toro Project between 1967 and 1990 and are summarized in Table 3 below. Complete details of most of the programs are not available in the assessment records with some programs only mentioned in the annual reports of the British Columbia Ministry of Energy, Mines and Petroleum Resources (formerly the British Columbia Department of Mines).

Table 3: Drill programs

Year	Showing	Company	Holes	Type	Size	Depth (m)
1967	Duchess	Norcan Mines Ltd.	6	diamond	BQ	150?
1967	Loljuh	Noranda	7	diamond	BQ	90.2
1968?	King	Canadian American Mining Co.?	?	diamond	AQ	100?
1968	War Eagle Py	Pathfinder Resources Ltd.	1			deep(250?)
1968	Fly	Whitesail Mines Ltd.	2	diamond	AX?	152.4
1968	Loring	Falconbridge Nickel Mines Inc.	4	diamond	AX	210.6
1968	Sunset, etc.	Pyramid Mining Co. Ltd.	5?	?		150?
1969	Deny N	Falconbridge Nickel Mines Inc.	3	diamond	AX	27.6
1969	NE Deny S	Falconbridge Nickel Mines Inc.	4	diamond	AX	181.2
1970	Fly	Ducanex Resources Ltd.	3	diamond	BQ	478
1973	Old Tom	Maharaja Minerals	1	diamond	BQ	short 20
1974	Deny S	Maharaja Minerals	9	diamond	BQ	400?
1975	Marmot	Maharaja Minerals	2?	diamond	BQ	150?
1978	Old Tom	Cardero Resources Ltd.	2	diamond	BQ	182
1978	Marmot	Maharaja Minerals	2?	diamond	BQ	150?
1990	Ant	Atna Resources Ltd.	7	diamond	BQ	1100
TOTAL	**12 properties**	**16 programs**	**58+**			**3792m**

There is no record of drill hole locations, specifications or results from the 1967 diamond drill program by Noranda on the Loljuh copper-molybdenum porphyry target *(BCDM, 1969)*. There is no record of the drilling on the King but minor drill core was observed on site and may have followed an induced polarization survey in 1967 *(Baird, 1967)*. There is no documentation of the two Fly drill programs, but locations were shown in assessment records *(Allen, 1981)* with specifications shown for the 1968 program *(Woolverton, 1969)*. Details of the 1969 programs on the Deny North and NE Deny South showings by Falconbridge were not found but locations were documented with some specifications in subsequent assessment reports *(Kikuchi, 1981)*.

In 1968 one hole was diamond drilled on the Phil 6 claim (south of Starr Creek), one on the Al 4 claim (near outlet of Glacis Creek), one on the Mike 44 claim (west of Fly) and some holes on the Mike 3, 11, and 12 claims (above Sunset Adit) by Pyramid Mining Co. Ltd. *(BCDM, 1969)*. A number of proposed holes and claim locations are shown in the assessment records *(Baird, 1968)*, so approximate locations can be inferred and are shown in Figures 2, 8, 9 and 13.

The results and specifications of the 1973 drill program on the Old Tom showing could not be found but the hole location was documented in the 1978 drill report *(Allen, 1972)* and

was possibly located in the field in 2008. No record of or hole locations from the 1974 BQ diamond drill program on Deny South by Maharaja Minerals could be located *(Kikuchi, 1981)*. Although there are a number of references to small drill programs on the Marmot in 1975 and 1978 by Maharaja Minerals, there is no documentation of this work either.

The following drill specifications have been obtained from assessment reports and by location in the field in 2008. Locations are shown in Figures 6 to 14 with some shown in Figure 2.

TABLE 4: Drill hole specifications

DDH No.	Target Showing	UTM Nad 83, Zone 9 Northing	Easting	Elev. (m)	Az. (°)	Dip (°)	Depth (m)
67-4*	Duchess	6036804	60034	1512	-	-90	
68L-1 or -2	Loring						50?
68L-3	Loring				260?	-45	40
68L-4	Loring				260?	-45	65
68N-1*	War Eagle Py	6034842	604202	1409	070	-70	deep
69RS1*	Deny N	6037421	619924	1974	295		10.8
69RS2	Deny N				295		12.2
69RS3	Deny N				310		4.6
69D1	NE Deny S				235		
69D1A	NE Deny S	same as	69D1		088		
69D2	NE Deny S				100		
69D3	NE Deny S				090		
68-1*	Fly	6038983	618280	1615	-	-90	short
68-2*	Fly	6038983	618280	1615	030	-45	short
70-1*	Fly	6039456	618317	1813			233.2
70-2*	Fly	6039677	618344	1920			155.45
70-3*	Fly	6039677	618344	1920			88.85
73-1*	Old Tom	6045210	622760	1120			
78-1*	Old Tom	6045176	622792	1138	050	+30	59.7
78-2*	Old Tom	6045176	622792	1138	050	-80	122.5
LF90CH01*	Ant	6027867	598749	1463	307	-45	152.4
LF90CH02*	Ant	6027867	598749	1463	115	-45	152.4
LF90CH03*	Ant	6027899	598711	1493	295	-45	149.4
LF90CH04*	Ant	6028017	598771	1457	120	-45	201.2
LF90CH05*	Ant	6028061	598959	1378	115	-45	140.2
LF90CH06*	Ant	6028092	598880	1414	115	-45	148.7
LF90CH07*	Ant	6028167	598940	1372	115	-45	145.0

* denotes collar located in 2008

Although at least six holes were reported *(Preto, 1967)* only 99.7m of drilling in four holes is documented on the Duchess prospect *(Price, 1983)*. Holes 67-1 to -3, with northwest azimuths, did not intersect the vein due to offset along a 050º/45ºSW fault *(BCDM, 1969)*. Hole 67-4 is thought to be a vertical hole near the upper adit portal *(Price, 1983)*. Results are shown in Table 5.

Four holes were reportedly drilled by Falconbridge in 1968 on their Lava claims which covered the Loring and Lava showings *(BCDM, 1969, p 129)*. Two of the holes were

drilled on the Loring showing (Slump Block) and referred to in a subsequent assessment report (*McAndrew et. al., 1973)*. A gossan zone, 100 meters east of the main Loring showing, containing significant amounts of epidote, iron oxide, pyrite, magnetite, minor chalcopyrite and malachite was also drilled, reportedly averaging 0.3% Cu *(Kikuchi, 1981)*. The approximate location is shown on Figure 2 but drill specifications and assay results could not be located.

The results and specifications of the 1978 drill program on the Old Tom showing is documented and drill holes located in the field in 2008. Significant results are summarized in Table 5 *(Allen, 1972)*. The details and results of the drill program on the Ant prospect are also documented *(Hanson, 1991)* with only low order anomalous results obtained which are summarized in Table 5.

TABLE 5: Significant drill results

Showing	DDH	From	To	Interval	Cu	Ag	Au
Name	No.	(m)	(m)	(m)	(%)	(g/t)	(g/t)
Duchess	67-4	top	bottom	15.8	2.95	45.26	-
	including	top		3.05	11.8	202.29	-
Old Tom	78-1	5.3	6.3	1.0	0.41	8.91	low
	and	17.7	19.6	1.9	0.16	3.09	low
Old Tom	78-2	3.0	6.0	3.0	0.68	18.17	0.96
	and	90.5	92.32	1.82	minor	low	low
Ant	LF90CH04	89.3	139.3	50.0			
Ant	including			10.4	0.25	6.3 g/t	low
Ant	LF90CH05	20.1	23.6	3.5	0.65	44 g/t	0.32 g/t

No significant results are reported from the one hole drilled on the War Eagle Pyrite zone, which was located in 2008, but typical porphyry style alteration was reportedly intersected *(Sharp, 1970)*. There is no documentation of the results from the two Fly drill programs, but locations were shown in assessment records and subsequent representative sampling of the 1970 core on site indicated low order anomalous values *(Allen, 1981)*.

14.0 ADJACENT PROPERTIES

The 677 ha Santa Maria property, tenure number 512882, is contained within the northwest El Toro Project area. The tenure covers the past producing Santa Maria mine, Minfile number 093L 063, and is owned by Bearclaw Capital Corp. Claims are valid to March, 2016 *(http://www.mtonline.gov.bc.ca)*. In 1917 217 tonnes of ore was produced from the Santa Maria mine recovering 69,422 g Ag and 33,203 kg Cu. Recent work has included some drilling. The Santa Maria covers a 330º/SW vein system over a 75-90m width, associated with felsic dykes, and has been traced for 520m on strike *(Preto, 1967)*.

Another property, tenure numbers 589404-409, adjoins the southeastern portion of the El Toro Project, covering the Erin and part of the B showings, Minfile numbers 093L 298 and 093L 048. The 245 ha property is owned by Kelly Funk of Nanaimo. Copper-silver with local gold values are associated with bornite, chalcopyrite, tetrahedrite, chalcocite in quartz veins, stringers and as disseminated to massive patches within the andesite *(British Columbia Minfile, 2008)*.

5.0 MINERAL PROCESSING AND METALLURGICAL TESTING

The El Toro property is at an early exploration stage and no metallurgical testing has been carried out.

16.0 RESOURCE AND MINERAL RESERVE ESTIMATES

There has not been sufficient drilling on the El Toro property to undertake a resource calculation or to delineate the limits of mineralization in any direction.

17.0 OTHER RELEVANT DATA AND INFORMATION

To the author's knowledge, there is no additional information or explanation necessary to make this technical report understandable and not misleading.

18.0 INTERPRETATION AND CONCLUSIONS

There is good potential on the 33,565 ha El Toro Project to discover a subvolcanic copper-gold-silver (arsenic, antimony) deposit similar to Equity Silver, 60 km southeast, which produced 33.8 million tonnes of 0.4% copper, 64.9 g/t Ag, and 0.46 g/t Au based on the abundance of mineral showings of this type on the property, significant previous results, and lack of recent systematic exploration. There is also potential for the discovery of a calc-alkaline porphyry copper±molybdenum±gold(silver) deposit based on the abundance of stocks and small plugs of the Bulkley plutonic suite across the property, which hosts the Huckleberry Mine, four of which are known to exhibit porphyry style alteration and/or mineralization. Only 3800 metres of diamond drilling in approximately 60 holes has been completed within the project area, 1100m in 7 holes of which tested the Ant showing (one of 36 Minfile occurrences on the property) in 1990, with insignificant results.

Combined production from the King and Rainbow mines between 1914 and 1962 totaled 293.5 tonnes producing 8,533g Au, 294,905g Ag, and 44,357 kg copper. In 1914 38 tonnes of ore was shipped from the Colorado mine recovering 155,515 g Ag and 2722 kg Cu. In Hankin Basin along Loring Creek, copper-silver±gold mineralization occurs in permeable horizons within andesite tuffs. At the Loring showing three mineralized horizons, up to 1.5m wide, occur within a 20m wide zone with previous assays averaging 65.14 g/t Ag with 0.45 to 3.12% Cu. The average assay from previous chip sampling a 24.3m cliff section on the Marmot is 4.3% Cu and 109.71 g/t Ag. The Friendly Vein in Dominion Basin yielded an average of 70.2 g/t Ag and 2.21 g/t Au along 8.5m of the vein. Previous diamond drill results from the Duchess prospect in Howson Basin include 2.9% Cu and 45.26 g/t Ag over 15.8, including 11.8% Cu and 202.3 g/t Ag over 3.05m from hole 67-4, but true width is not known.

Four stocks of the Bulkley plutonic suite with calc-alkaline porphyry copper ±molybdenum±gold(silver) potential were identified, the Sunsets, MSJ, War Eagle and Loljuh stocks. Insufficient work has been undertaken to evaluate them. The Huckleberry Mine, 70 km south of the El Toro Project, is an example of this deposit type and is associated with a stock of the Late Cretaceous Bulkley plutonic suite. Drilling of the Ant epithermal showing in 1990 did not intersect significant mineralization but, based on results from the Lefty, potential exists to uncover gold-silver±copper epithermal veins, and stockwork mineralization in this area.

The 2008 program verified work completed by previous operators, located previous drill holes and many of the old workings, indicated potential for the discovery of a subvolcanic copper-gold-silver (arsenic, antimony) deposit similar to Equity Silver and for calc-alkaline porphyry copper±molybdenum±gold(silver), and commonly associated epithermal gold-silver, mineralization and outlined targets for follow up.

Previous production records and 2008 sampling (6.51% Cu, 4.65 g/t Au and 202 g/t Ag over 0.5m from the King Vein with 36.5% Cu, 155 g/t Au and 2306 g/t Ag from a grab sample) indicate high grade copper-gold-silver vein type mineralization from the south side of Hunter Basin. Geophysical surveys and observed lineaments and a gossan, suggest continuity to the hosting structure of the King Vein. There does not appear to have been significant drilling to test the structures. The Idaho and King Veins have potential to host similar mineralization along strike and down dip.

The Hankin Basin area has potential for possible bulk tonnage and local high grade copper-silver-gold mineralization with significant similarities to the past producing Equity Silver mine. Mineralization, traced for 5 km along strike and 2 km along dip, occurs in permeable horizons within andesite tuffs and in cross fractures and stockwork-breccia zones.

In Dominion Basin a significant quartz sulphide vein is exposed for 15m in the Friendly Trench returning 9.52 g/t Au, 180 g/t Ag, 1.68% Cu, 15.7% Zn and 0.95% Pb across 1.0m in 2008. There does not appear to have been extensive work in this area to trace the vein and additional veins are suggested by the discovery of gold-bearing quartz carbonate float in upper Hankin Basin *(Jamieson, 1991a)*.

Although mineralization was locally restricted at the Duchess prospect due to late faults, there is significant potential along strike of the persistent, 4.2 km long Princess-Duchess-Countess-Silver Heels structure.

Previous porphyry copper±molybdenum±gold(silver) exploration in the Sunsets stock focussed on the phyllic alteration zones, but previous soil sampling and continued exploration has indicated better grades peripheral to these zones. At the War Eagle stock copper-silver mineralization occurs peripheral to the intrusion as is the case at the Huckleberry Mine. High grade copper-silver mineralization is associated with felsic dykes peripheral to the poorly exposed MSJ stock and similar mineralization is associated with felsic dykes at the Joker Ridge quartz-pyrite zone and possibly related high grade Duchess copper-silver vein prospect in the Howson Basin area. The dykes

may be related to mineralized stocks, the MSJ stock in the former case and a near surface buried intrusion at Joker Ridge. A mineralized dyke is also documented at the Pete showing in the Houston Tommy Creek area, outboard of the Loljuh stock.

19.0 RECOMMENDATIONS

Additional mapping, prospecting and sampling is warranted in south Hunter, Hankin, Sunsets, Dominion and Howson Basins and at the MSJ stock. The Loljuh stock in the Tommy Houston Creek area and the epithermal mineralization at the Wolverine showing and along strike to the northeast of the Lefty require an evaluation.

The high grade quartz-sulphide mineralization at south Hunter Basin and the Princess-Duchess-Countess-Silver Heels structure can be traced by electromagnetic geophysics surveys. HLEM may be necessary due to the topographic variance with VLF-EM. Initially the survey can be tested over known mineralization and, if effective, completed over the strike extensions.

Detailed soil/talus fine sampling should be undertaken in Sunsets Basin, followed by induced polarization geophysics to delineate drill targets. MMI soil sampling may be effective over the thick overburden covered MSJ stock to outline anomalies with which to focus drilling.

An initial Phase 1 exploration program consisting of mapping, prospecting and sampling, with select conventional and MMI soil and geophysical surveys, is recommended on the El Toro Project at a cost of $250,000 in order to delineate drill targets.

Respectfully submitted,

Jean Pautler, P.Geo.

March 31, 2009

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21.0 CERTIFICATE, DATE AND SIGNATURE

1) I, Jean Marie Pautler of 103-108 Elliott Street, Whitehorse, Yukon Territory am self-employed as a consultant geologist, authored and am responsible for this report entitled "Geological and geochemical assessment report on the El Toro Project", dated March 31, 2009.

2) I am a graduate of Laurentian University, Sudbury, Ontario with an Honours B.Sc. degree in geology (May, 1980) and more than 25 years mineral exploration experience in the North American Cordillera. Pertinent experience includes the acquisition and delineation of the Tsacha epithermal gold deposit, British Columbia and the evaluation of various deposit types including porphyry, subvolcanic and redbed copper for Teck Exploration Limited, and drilling the Brenda gold-copper porphyry property in the Kemess Camp for Northgate Exploration Limited.

3) I am a registered member of the Association of Professional Engineers and Geoscientists of British Columbia (APEGBC Registration Number 19804).

4) I have visited the subject mining property of this report and am a "Qualified Person" in the context of and have read and understand National Instrument 43-101 and the Companion Policy to NI 43-101.

5) This report is based upon work conducted on the project area between August 26 and September 6, 2008 and a review of pertinent data.

6) As stated in this report, in my professional opinion the property is of potential merit and further exploration work is justified.

7) As of the date of this report I am not aware of material facts that are not reflected in this report by written inclusion or reference.

8) I do not have any agreement, arrangement or understanding with Lions Gate Energy Inc. and any affiliated company to be or become an insider, associate or employee.

9) I do not own securities in Lions Gate Energy Inc. and my professional relationship with Lions Gate Energy Inc. is at arm's length as an independent consultant, and I have no expectation that the relationship will change.

Dated at Whitehorse, Yukon Territory this 31st day of March, 2009.

"Signed and Sealed"

Jean Pautler, P.Geo. (APEGBC Reg. No. 19804)
JP Exploration Services Inc.
#103-108 Elliott St
Whitehorse, Yukon Y1A 6C4

21.0 APPENDICES

APPENDIX I

Statement of Claims

(http://www.mtonline.gov.bc.ca)

Tenure Number	Claim Name	Owner Number	Issue Date	Good To Date	Area (ha)
525417	BULL	144284 (100%)	2006/jan/14	2009/dec/10	450.474
554953	THE HOOF	144284 (100%)	2007/mar/24	2009/may/11	621.821
554956	EL TORRO 33	144284 (100%)	2007/mar/24	2009/may/11	939.781
554994	R EYE	144284 (100%)	2007/mar/25	2009/may/11	3003.585
554998	MOUTH	144284 (100%)	2007/mar/25	2009/may/11	2799.986
554999	TAIL	144284 (100%)	2007/mar/25	2009/may/11	2818.634
555000	CHEST	144284 (100%)	2007/mar/25	2009/may/11	3291.951
555001	GUTS	144284 (100%)	2007/mar/25	2009/may/11	3760.121
555002	BELLY	144284 (100%)	2007/mar/25	2009/may/11	2634.6712
555003	REAR LEGS	144284 (100%)	2007/mar/25	2009/may/11	3499.407
555004	EAR & HORNS	144284 (100%)	2007/mar/25	2009/may/11	1989.799
555005	FRONT LEG	144284 (100%)	2007/mar/25	2009/may/11	2334.945
567390	STARR 01	144284 (100%)	2007/oct/03	2009/may/11	470.5269
567391	STARR 02	144284 (100%)	2007/oct/03	2009/may/11	470.5024
567601	MO - 01	144284 (100%)	2007/oct/06	2009/may/11	470.6883
567602	MO - 02	144284 (100%)	2007/oct/06	2009/may/11	470.6905
567603	MO - 03	144284 (100%)	2007/oct/06	2009/may/11	470.404
567604	MO - 04	144284 (100%)	2007/oct/06	2009/may/11	470.6835
567605	MO - 05	144284 (100%)	2007/oct/06	2009/may/11	470.8162
567606	MO - 06	144284 (100%)	2007/oct/06	2009/may/11	470.9044
592347	PRINCESS1	144284 (100%)	2008/oct/01	2009/oct/01	470.1239
592348	PRINCESS2	144284 (100%)	2008/oct/01	2009/oct/01	413.9032
592349	PRINCESS3	144284 (100%)	2008/oct/01	2009/oct/01	319.8904
592351	PRINCESS4	144284 (100%)	2008/oct/01	2009/oct/01	451.3433
TOTAL:	**24 claims**				**33,565.65**

Owner No. 144284: Lions Gate Energy Inc.

APPENDIX II

Sample Descriptions and Results

EI TORO PROJECT, BC

2008 ROCK SAMPLE DESCRIPTIONS AND RESULTS

Au in red in g/t

Cu, Pb, Zn, Mo in red in %

SAMPLE NUMBER	LOCATION	NAD 83 EASTING	ZONE 9 NORTHING	ELEV. (m)	TYPE	DESCRIPTION	Cu ppm	Au ppb	Ag ppm	As ppm	Other ppm	Mo ppm
14451	Idaho	618583	6042968	1685	float	2-3% bornite, strong malachite, from top of Adit 2, shaft?	30.62	1.79	1886	385		4
14452	King core	618480	6042929	1661	old core	sericite, some strong epidote altered amygdaloidal andesite with specularite, pyrite, some chalcopyrite from AQ drill core on ground	1104	610	8.6	10		<1
14453	King cabin	618482	6042932	1658	float	siliceous, biotite hornfels with 7-10% coarse pyrite; from specimen collection in old cabin	1163	115	8.5	10		1
14454	King Mine	618125	6042609	1835	0.5 cm chip	chalcopyrite, bornite, magnetite as disseminations and stringers in andesite, at shaft location	6.51	4.65	202	5		16
14455	King Mine	618125	6042609	1835	grab	high grade from shaft area with cut along vein; chalcopyrite, magnetite, lots bornite, trend 095/steep	36.45	155	2306	65		65
14456	Colorado Hunter	616879	6044031	2426	grab	high grade from probable adit dump; malachite, azurite, chalcocite, tetrahedrite, >>>chalcopyrite	24.03	75	1589	7010	3310Sb 1304Zn	51
14457	Colorado	616879	6044031	2426	grab	high grade from adit dump, drusy quartz veinlets up to 5 cm wide, multiple stages, malachite, azurite, tetrahedrite, chalcocite?	2.17	220	1064	390	3995Sb 1113Zn	4
14458	N Glacis Creek	617021	6041235	2045	grab	rusty weathering felsenmeer, pyritized silica-epidote-pyrite (propyllitic or hornfels) altered volcaniclastics	228	5	2.4	10		<1
14459	N Glacis Creek	617002	6041267	2043	grab	pyritized hornfels in felsenmeer as above, with chalcopyrite, trace irregular quartz veinlets	751	60	5.6	<5		2
14460	Tribune	617612 617576	6044173 6044164	1681 1738	grab	quartz-carbonate veinlets to few cm with galena, trace sphalerite, chalcopyrite, malachite, from old shaft dump	1.44	5	540	1660	6110Sb 3.95 Pb 1.12Zn	37
14461	Old Tom	622760	6045210	1130	grab	290 trending 2mX2m adit; 2m band in andesite along bedding at 045/45E, epidote-chlorite alteration, malachite, chalcopyrite, pyrrhotite, magnetite, limonite, 290/90° fractures	2933	150	13.3	25	2.58Zn	61
14462	Old Tom	622792	6045176	1138	grab	2mX2m 070 adit #2; epidote-chlorite alteration, local malachite, 1% chalcopyrite, pyrite, some magnetite, not high grade, bedding 170/20E, possible drill pad??	2052	40	4.2	<5	1424Zn	9
14463	Old Tom - Hankin	622839 622848	6045011 6044996	1158 1185	grab	3-4m wide epidote altered band in andesite agglomerate cut by 6m adit on cliffs above, malachite, chalcopyrite, pyrite, magnetite	1.27	1.08	50.3	<5		0.066
14464	Old Tom - Hankin	622865	6045002	1164	grab	6m 070 trending adit in cliffs, rusty, limonitic malachite, chalcopyrite, high pyrite, magnetite in andesite agglomerate	3607	650	16.8	<5		0.069
14465	MSJ	602885	6032289	1434	grab	decomposed yellow-orange stained quartz monzonite intrusion?, limonite, & hematite on fractures, minor gypsum, no visible sulphide, felsic dykes	107	<5	0.4	<5		12
14466	MSJ	602851	6032318	1442	float	local float below contact between volcanics & felsite dyke, 3% chalcopyrite, specularite, trace silvery mineral, black streak	4.55	90	328	10		11
14467	MSJ	602863	6032337	1463	2m chip	rough chip of 2m zone with chalcopyrite stringers, molybdenite?, specularite, from outcrop at contact with dyke 020/80W	4.03	35	146	<5		5
14468	MSJ	602863	6032337	1463	0.7m chip	weak rusty stained, hornfelsed andesite with chalcopyrite stringers, molybdenite, minor specularite, at contact with large pink-orange weathering felsite dyke, adjacent to and north of 14467	4.28	5	51.9	<5		6
14469	MSJ	602863	6032337	1463	grab	chalcopyrite stringers in andesite from upper section of outcrop at contact	3.32	10	68.3	<5		14

El TORO PROJECT, BC
2008 ROCK SAMPLE DESCRIPTIONS AND RESULTS

Au in red in g/t

Cu, Pb, Zn, Mo in red in %

SAMPLE NUMBER	LOCATION	NAD 83 EASTING	ZONE 9 NORTHING	ELEV. (m)	TYPE	DESCRIPTION	Cu ppm	Au ppb	Ag ppm	As ppm	Other ppm	Mo ppm
14470	Ant 1	598760	6027744	1530	grab	from centre of 6m wide gossanous quartz stockwork zone with fine disseminated pyrite in silicified volcanic/volcaniclastic, trace galena, chalcopyrite, sphalerite, manganese & limonite staining, beside qfp felsic dyke, fractures trend 060/75SE	419	220	3.2	155	2253Zn	7
14471	Ant 1	598760	6027744	1530	3m chip	chip from above	251	95	2.2	70	1122Zn	4
14472	Ant 1	598804	6027825	1525	grab	pink felsite or felsic volcanic with fine sphalerite, weak malachite, CuSo4, in less altered zone along strike of above; same zone or another one?	841	35	28.2	95	1.47 Zn	39
14473	Lefty	596312	6027045	1746	grab	rusty silicified andesite host for 14473, minor quartz stockwork, fine pyrite, less chalcopyrite, proximal to ferrocrete	2992	165	2.1	40		20
14474	Lefty	596314	6027048	1749	grab	drusy quartz vein up to 10 cm with fine pyrite, limonite knots and on fractures, from subcrop, chalcopyrite	355	910	8.1	105		11
14475	Lefty	596273	6027084	1744	0.5m chip	20 cm quartz vein, trending N/60W with adjacent stockwork/il zone, minor fine pyrite	41	1.68	1.5	20		29
14476	Lefty	596297	6027177	1728	1.5m chip	hanging wall of 14477 stockwork zone, malachite stained, with vuggy quartz and chalcedony in silicified andesite with fine pyrite, minor chalcopyrite with much manganese crusting, botryoidal texture	6886	4.96	2.4	<5		3
14477	Lefty	596301	6027176	1728	1.5m chip	1-1.5m wide 000-010/70W trending malachite stained, quartz stockwork-breccia zone with fine quartz stringers and chalcedony and strongly silicified andesite with fine pyrite, minor chalcopyrite, sphalerite? with much manganese crusting	2065	2.09	1.4	<5	1493Zn	11
14478	Lefty	596317	6027177	1729	grab	drusy quartz vein with limonite boxwork, trending 020/75W, in intensely silicified andesite with 5% pyrite	66	45	0.3	<5		28
14479	Del	622047	6027527	1748	grab	malachite in quartz in epidote matrix, from trench	1395	20	1.2	10		<1
14480	Del	622012	6027376	1756	grab	separate trench, trace malachite in quartz stockwork in chalky epidote altered andesite	335	10	0.6	5		<1
14481	Fog	619747	6038987	1838	1m chip	phyllic (QSP) altered quartz monzonite with 2-3% fine disseminated pyrite, minor chalcopyrite, trace malachite on fractures, associated with 335/85NE fractures, Zone 2?	830	10	0.8	<5		5
14482	Fog	619740	6038997	1844	1m chip	subcrop/outcrop of strongly silicified with disseminated chalcopyrite and on 335/85NE fractures, also chalcopyrite noted between 14481 and 14482	562	5	1.0	<5		43
14483	Fog	619741	6038995	1844	grab	2 cm quartz veinlets, malachite on fractures, disseminated chalcopyrite, trace molybdenite?	2605	40	8.5	100		42
14484	Fog	619745	6038990	1842	0.7m chip	crumbly yellow weathering quartz monzonite with rusty fractures, 3% pyrite, trace chalcopyrite?, 060/80SE fractures	135	5	0.9	<5		19
14485	Fog	619688	6038951	1834	grab	very strong dark rusty subcrop, possible ferromolybdate?, 5% fine pyrite	231	5	0.8	<5		16
14486	Fog	619748	6038968	1835	grab	subcrop of phyllic (QSP) altered quartz monzonite with 2-3% fine disseminated pyrite, yellow oxide	29	10	0.7	<5		8
14487	Fog	618508	6039204	1699	grab	quartz-muscovite-pyrite (QSP) altered intrusion with 2 cm quartz-silica veinlet with pyrite, chalcopyrite, trace molybdenite, trend 060/55SE	9341	65	48.2	<5		134
14488	Fog	619743	6038989	1842	grab	subcrop of altered quartz monzonite, rusty fractures, subcrop/float	206	15	3.4	<5		57

El TORO PROJECT, BC
2008 ROCK SAMPLE DESCRIPTIONS AND RESULTS

Au in red in g/t

Cu, Pb, Zn, Mo in red in %

SAMPLE NUMBER	LOCATION	NAD 83 EASTING	ZONE 9 NORTHING	ELEV. (m)	TYPE	DESCRIPTION	Cu ppm	Au ppb	Ag ppm	As ppm	Other ppm	Mo ppm
14489	Glacis Basin	617545	6040184	1864	talus float	strong rusty, QSP (phyllic) altered monzonite	150	5	0.9	<5		3
14490	Glacis Basin	617564	6040157	1872	talus float	yellow weathering, siliceous vein? with pyrite, minor QSP alteration	44	<5	0.8	5		2
14491	Glacis Basin	617558	6040117	1888	talus float	7 cm vuggy, drusy quartz-pyrite vein, pyrite in vugs	344	5	3.6	120	580Sb	14
14492	Glacis Basin	617050	6039813	1830	talus float	quartz-silica-chalcopyrite-pyrite vein in quartz-biotite-pyrite intrusion, as talus below lone spire, GPS approximate, 250m at 200 rom wpt 186	5694	20	12.3	15		4
14493	Webster	618410	6040843	1824	felsen-mere	strongly silicified, sericite altered (volcanics?) with disseminated pyrite & pyrite in quartz stringers, near quartz feldspar porphyry dyke, from 50x30 cm felsenmere block	322	35	1.3	10		2
14494	Webster	619595	6040778	1732	felsen-mere	5% brown-black sphalerite, 5-7% pyrite in hornfelsed andesite as felsenmere below dark, rusty cliffs	497	20	0.8	<5	8.23Zn	142
14495	Webster	619557	6040746	1737	felsen-mere	rusty weathering andesite with 10% pyrite as disseminations and stringers, trace chalcopyrite	1241	10	1.1	<5		3
14496	Fly	618510	6039197	1705	old core	monzonite with pyrite, trace chalcopyrite as stringers, disseminations and fracture coatings, Farid sample = 10320	525	5	0.5	<5		14
14497	Fly	618510	6039197	1705	old core	pyrite, minor molybdenite on fractures in monzonite from 2 old core boxes, no markings, Farid sample = 10320	302	10	0.3	<5		410
14498	Fly	618487	6039523	1805	talus	vuggy qtz veins, some drusy, cutting phyllic altered monzonite (qsp), trace molybdenite?	257	75	54.2	85		42
14499	Fly	617962	6039252	1785	talus	Mn stained, 1-2 cm drusy quartz, trace tetrahedrite, cutting monzonite	2198	945	504	2440	5220Sb	3
14500	Fly	618329	6039330	1742		white clay altered monzonite, few % pyrite, some quartz stockwork	39	10	1.1	10		6
14501	Fly	618411	6039376	1753	grab	from gorge on creek, shows possible molybdenite=galena	1352	455	110	100	1200Pb	21
14502	Fly	618411	6039376	1753	grab	from gorge on creek, shows sulphide	376	15	1.2	10		12
14503	Deny North Friendly Trench	619991	6037438	1945	1.0m chip	high sulphide quartz-carbonate vein, vuggy, trend 000-005/35W, malachite/azurite or CuSo4 stain, sphalerite>>chalcopyrite>pyrite>galena, bedded epiclastic host	1.68	9.52	180	535	9520Pb 15.7Zn	201
14504	Deny North above Friendly	619939	6037419	1970	grab	silica-diopside-epidote-garnet skarn, trace malachite stain, minor chalcopyrite, sphalerite, magnetite, northerly trend, from 3m long Trench	1406	730	4.7	25		13
14505	Deny North above Friendly	619897 619940	6037403 6037421	1996 1974	grab	high magnetite, with diopside-epidote-garnet-silica skarn boulders	28	20	0.45	<5		7
14506	Princess	600478	6033997	1779	grab	quartz-carbonate vein, trend 030-/60W, chalcopyrite, malachite, CuSo4, hydrozincite, trace sphalerite in epidote-diopside-garnet skarn host	7142	25	5.4	35	9.71Zn	<1
14507	War Eagle Pyrite	604206	6034841	1409	grab	pyritized, Ksp altered intrusion with semi-massive, fine disseminated pyrite, trace molybdenum?	241	25	4.2	25		13
14508	War Eagle Pyrite	604206	6034841	1409	grab	highly pyritic, cloritized, hornfelsed volcanics near drill hole; chalcopyrite, pyrite	28	45	2.0	35		4
14509	War Eagle Pyrite	604206	6034841	1409	grab	high quartz-Ksp altered with dark chlorite, highly pyritized, some epidote, skarn?	40	60	2.4	125		5
14510	War Eagle N W	602976	6035512	1649	grab	strongly oxidized, vuggy quartz-limonite vein with 10% pyrite; some chalcopyrite, malachite, limonite and Mn on fractures	1.00	45	46.4	65		5
14511	War Eagle N W	603010	6035493	1648	grab	minor quartz-limonite vein with pyrite, specularite, chalcopyrite	5.01	25	87.8	<5	340Sb	94

El TORO PROJECT, BC
2008 ROCK SAMPLE DESCRIPTIONS AND RESULTS

Au in red in g/t

Cu, Pb, Zn, Mo in red in %

SAMPLE NUMBER	LOCATION	NAD 83 EASTING	ZONE 9 NORTHING	ELEV. (m)	TYPE	DESCRIPTION	Cu ppm	Au ppb	Ag ppm	As ppm	Other ppm	Mo ppm
14512	Joker Ridge	601401	6038033	1753	grab	rhyolite dyke/sill with quartz veinlets,some grey, trace pyrite, clay-sericite-pyrite altered host	130	55	0.5	<5		5
14513	Silver Heels E	600436	6038010	1850	grab	rusty quartz vein with chalcopyrite in andesite; above old tr, trend 025/75W	2.35	15	142	<5		18
14514	Silver Heels E	599471	6037987	1947	grab	quartz breccia with malachite, chalcopyrite in quartz; quartz fragments in andesite matrix	1.55	50	24.6	<5		50
14515	above Countess	600174	6037420	1887	grab	malachite, chalcopyrite, pyrite in silicified andesite, adjacent to dyke	2523	15	5.2	<5		17
14516	above Countess	600174	6037420	1887	grab	silicified andesite with minor galena, trace chalcopyrite, malachite, pyrite, specularite, adjacent to felsite dyke	817	35	6.3	15	2284Pb	2
14517	Countess	600288	6037206	1768	grab	quartz with chalcopyrite in volcanics, 005/80E, trench	5.27	85	69.9	<5		10
14518	Countess	600510	6036966	1603	grab	minor chalcopyrite throughout rusty altered volcanics	4631	10	9.1	<5	2846Pb 2830Zn	13
14519	Duchess	600280	6036918	1573	grab	rusty quartz with chalcopyrite in andesite and felsite from old pit	8482	20	90.2	<5		47
14520	Duchess	600280	6036918	1573	grab	chloritic andesite with chalcopyrite and malachite at same old pit	1.13	5	13.3	<5		15
14521	Duchess	600351	6036804	1512	2m chip	quartz vein and footwall chloritic andesite with chalcopyrite in quartz and disseminated chalcopyrite in andesite, from portal of adit	8159	20	22.5	200		102
14522	Duchess	600351	6036804	1512	grab	high grade chalcopyrite in chloritic andesite	7.91	35	100	<5		51
14523	War Eagle P	603795	6035304	1536	grab	chalcopyrite, malachite in quartz in silicified volcanics, trend 290/steep	1.32	105	31.6	15		6
14524	War Eagle P	604100	6035311	1520	float	angular quartz with chalcopyrite, specularite in area of andesite tuffs	6.74	180	99.8	50	3246Zn	<1
14525	War Eagle P	603886	6035252	1484	grab	highly pyritic silicified andesite, grey colour, ferricrete on top of (above) it	854	30	4.9	15		53
14526	War Eagle P	603999	6035207	1464	grab	rusty, silicified andesite tuff to lapilli tuff, disseminated pyrite and pyritized clasts, from cliffs	355	15	2.1	<5		<1
14527	War Eagle P	603847	6035278	1494	grab	chalcopyrite, pyrite and quartz in andesite, strongly associated with 330/55SW fracture set associated with lots pyrite and some clay	1.14	35	11.7	55		16
14528	War Eagle P	603795	6035307	1518	float	malachite stain and chalcocite in amygdaloidal? Andesite tuff, 5m downstream of 14523	7902	5	0.3	5		<1
14529	Hankin	622955	6044833	1215	1.2m chip	old 2m adit; abundant malachite stain locally, magnetite, chalcopyrite in silicified, epidote altered andesite, along bedding but locally cross cutting	8767	225	6.8	<5		12
14530	Hankin	622977	6044791	1201	grab	dark rusty andesite in hanging wall of rhyolite dyke, but follows bedding in andesite; chalcopyrite, epidote, quartz, magnetite, malachite	1.29	190	15.8	<5		374
14531	Hankin	622964	6044777	1218	grab	rusty, semi-massive chalcopyrite, some pyrite, in quartz-silica zone beside 050/50SE trending felsic dyke; trend 330/85SW, in two 30 cm wide zones 25 cm apart	6.53	1.74	108	<5		180
14532	Hankin	623062	6044564	1258	grab	red stained calc-silicate altered quartz-epidote with pyrite, chalcopyrite, malachite, local float	3.18	535	16.0	<5		47
14533	Hankin	623089	6044510	1291	1m chip	chalcopyrite-malachite-epidote-quartz-magnetite horizon 0.6-1m wide in andesite, with disseminated over 1.5-2m	9813	140	5.1	<5		0.072

El TORO PROJECT, BC
2008 SOIL SAMPLE DESCRIPTIONS AND RESULTS

SAMPLE		NAD 83	ZONE 9			Cu	Au	Ag	As	Mo	Pb
NUMBER	LOCATION	EASTING	NORTHING	ELEV.	DESCRIPTION	ppm	ppb	ppm	ppm	ppm	ppm
S-BD01	Webster Basin	619036	6040554	1751	soil below talus slope, talus fines, C horizon	237	5	0.3	<5	18	32
S-BD02	Webster Basin	619567	6040804	1704	soil below talus slope, talus fines, C horizon	372	5	1.2	120	13	28
S-BD03	WarEagle	604055	6034893	1458	light orange, rusty gouge from 70/75NW fracture zone, fault zone, some breccia?, C horizon	121	20	1.9	<5	6	22
S-BD04	WarEagle	603993	6034883	1479	red orange clay, decomposed, C horizon	282	20	0.9	<5	15	18
S-BD05	WarEagle	603968	6034894	1488	red-yellow colour, B horizon	67	10	<0.2	105	17	36
W-S1	Webster Basin	618850	6040437	1768	light orange-brown talus fines, C horizon	173	5	0.7	<5	10	104
W-S2	Webster Basin	618878	6040459	1760	light orange-brown talus fines, C horizon	198	15	0.6	10	9	102
W-S3	Webster Basin	618936	6040502	1744	light orange-brown talus fines, C horizon	153	5	0.2	<5	21	44
W-S4	Webster Basin	618990	6040518	1782	light orange-brown talus fines, C horizon	231	5	0.2	<5	20	34
E-S5	Evening	599869	6038119	1970	red soil from northerly trending fracture zone in andesite, proximal to red, silicified pyritic andesite with quartz veinlets, some drusy, with specularite, trace chalcopyrite, C horizon	483	40	1.5	80	42	44
E-S6	Evening	599723	6038048	2016	rusty red fracture in andesite, northerly trending zone, 100 trending zone below, C horizon	1960	10	1.8	<5	14	54
E-S7	Evening	600092	6037461	1887	blood red soil in volcanics from northerly fracture, proximal minor quartz float , C horizon	434	5	1.4	75	41	20
E-S8	Evening	600214	6037401	1860	red-yellow soil in oxidized volcanics, B horizon	1070	35	8.7	465	33	820
WE-S9	War Eagle	603868	6035264	1485	rusty medium brown B-C, black oxidized chips, from south bank	1958	60	1.8	20	64	54
WE-S10	War Eagle	603865	6035268	1490	above red-brown oxidized zone in andesite, B horizon	1752	175	1.9	345	50	38

APPENDIX III

Geochemical Procedure and Results

ECO TECH LABS – Analytical Method for

GEOCHEMICAL GOLD ANALYSIS

Samples are catalogued and dried. Soils are prepared by sieving through an 80 mesh screen to obtain a minus 80 mesh fraction. Samples unable to produce adequate minus 80 mesh material are screened at a coarser fraction. These samples are flagged with the relevant mesh. Rock samples are 2 stage crushed to minus 10 mesh and a 250 gram subsample is pulverized on a ring mill pulverizer to -140 mesh. The subsample is rolled, homogenized and bagged in a prenumbered bag.

The sample is weighed to 10/15/30 grams and fused along with proper fluxing materials. The bead is digested in aqua regia and analyzed on an atomic absorption instrument. Over-range values for rocks are re-analyzed using gold assay methods.

Appropriate reference materials accompany the samples through the process allowing for quality control assessment. Results are entered and printed along with quality control data (repeats and standards). The data is faxed and/or mailed to the client.

MULTI ELEMENT ICP ANALYSIS

Samples are catalogued and dried. Soil samples are screened to obtain a -80 mesh sample. Samples unable to produce adequate -80 mesh material are screened at a coarser fraction. These samples are flagged with the relevant mesh. Rock samples are 2 stage crushed to minus 10 mesh and pulverized on a ring mill pulverizer to minus 140 mesh, rolled and homogenized.

A 0.5 gram sample is digested with aqua regia which contains beryllium which acts as an internal standard. The sample is analyzed on a Jarrell Ash ICP unit.

Results are collated by computer and are printed along with accompanying quality control data (repeats and standards). Results are printed on a laser printer and are faxed and/or mailed to the client.

GOLD ASSAY

Samples are sorted and dried (if necessary). The samples are crushed through a jaw crusher and cone or rolls crusher to -10 mesh. The sample is split through a Jones riffle until a -250 gram subsample is achieved. The subsample is pulverized in a ring & puck pulverizer to 95% - 140 mesh. The sample is rolled to homogenize.

A 1/2 or 1.0 A.T. sample size is fire assayed using appropriate fluxes. The resultant dore bead is parted and then digested with aqua regia and then analyzed on a Perkin Elmer AA instrument.

Appropriate standards and repeat sample (Quality Control components) accompany the samples on the data sheet.

BASE METAL ASSAYS (Ag, Cu, Pb, Zn)

Samples are catalogued and dried. Rock samples are 2 stage crushed followed by pulverizing a 250 gram subsample. The subsample is rolled and homogenized and bagged in a pre-numbered bag.

A suitable sample weight is digested with aqua regia. The sample is allowed to cool, bulked up to a suitable volume and analyzed by an atomic absorption instrument, to .01 % detection limit.

Appropriate certified reference materials accompany the samples through the process providing accurate quality control.

Result data is entered along with standards and repeat values and are faxed and/or mailed to the client.

CERTIFICATE OF ASSAY AK 2008-1498

Lions Gate Energy INC
15th Floor-675 W.Hastings St.
VANCOUVER, BC
V6B 1N2

14-Nov-08

No. of samples received: 55
Sample Type: Rock
Project: El Toro
Shipment #: 1
Submitted by:J.Pautler

ET #.	Tag #	Au (g/t)	Au (oz/t)	Ag (g/t)	Ag (oz/t)	Cu (%)	Mo (%)	Pb (%)	Zn (%)
1	G14451	1.79	0.052	1886	55.00	30.6			
4	G14454	4.65	0.136	202	5.89	6.51			
5	G14455	155	4.520	2306	67.25	36.5			
6	G14456			1589	46.34	24.0			
7	G14457			1064	31.03	2.17			
10	G14460			540	15.75	1.44		3.95	1.12
11	G14461								2.58
13	G14463	1.08	0.031	50.3	1.47	1.27	0.066		
14	G14464						0.069		
16	G14466			328	9.57	4.55			
17	G14467			146	4.26	4.03			
18	G14468			51.9	1.51	4.28			
19	G14469			68.3	1.99	3.32			
22	G14472								1.47
25	G14475	1.68	0.049						
26	G14476	4.96	0.145						
27	G14477	2.09	0.061						
37	G14487			48.2	1.41				
44	G14494								8.23
48	G14498			54.2	1.58				
49	G14499			504	14.70			1.43	
51	G14501			110	3.21				
53	G14503	9.52	0.278	180	5.25	1.68			15.7
QC DATA:									
Repeat:									
1	G14451			1883	54.91	30.3			
4	G14454	4.93	0.144						
5	G14455	178	5.191						
26	G14476	4.71	0.137						
53	G14503	10.1	0.295						
Resplit:									
1	G14451	2.09	0.061						
Standard:									
OXI67		1.82	0.053						
Hisilk2		3.46	0.101						
Pb129				24.3	0.71			1.24	2.00
Pb129				24.0	0.70			1.25	2.01
Cu120						1.51			
Cu120						1.52			
MP2							0.281		

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

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

CERTIFICATE OF ASSAY AK 2008-1514

Lions Gate Energy INC 4-Dec-08
15th Floor-675 W.Hastings St.
VANCOUVER, BC
V6B 1N2

No. of samples received: 28
Sample Type: Rock
Project: El Toro
Submitted by:J.Pautler
Shipment#: 2

ET #.	Tag #	Au (g/t)	Au (oz/t)	Ag (g/t)	Ag (oz/t)	Cu (%)	Mo (%)	Zn (%)
1	G14506							9.71
5	G14510			46.4	1.35	1.00		
6	G14511			87.8	2.56	5.01		
8	G14513			142	4.14	2.35		
9	G14514					1.55		
12	G14517			69.9	2.04	5.27		
14	G14519			90.2	2.63			
15	G14520					1.13		
17	G14522			100	2.92	7.91		
18	G14523			31.6	0.92	1.32		
19	G14524			99.8	2.91	6.74		
22	G14527					1.14		
25	G14530					1.29		
26	G14531	1.74	0.051	108	3.15	6.53		
27	G14532					3.18		
28	G14533						0.072	
QC DATA:								
Resplit:								
1	G14506							10.1
Standard:								
OXI67		1.82	0.053					
Pb129				24.1	0.70			2.03
MP2							0.281	
Cu120						1.52		

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

JJ/ap
XLS/08

5-Nov-08

Alex Stewart Geochemical
ECO TECH LABORATORY LTD.
10041 Dallas Drive
KAMLOOPS, B.C.
V2C 6T4
www.alexstewart.com

Phone: 250-573-5700
Fax : 250-573-4557

ICP CERTIFICATE OF ANALYSIS AK 2008- 1498

Lions Gate Energy INC
15th Floor-675 W.Hastings St.
VANCOUVER, BC
V6B 1N2

Attention: Frank Callaghan

No. of samples received: 55
Sample Type: Rock
Project: El Toro
Shipment #: 1
Submitted by: J.Pautler

Values in ppm unless otherwise reported

Et #.	Tag #	Au(ppb)	Ag	Al %	As	Ba	Bi	Ca %	Cd	Co	Cr	Cu	Fe %	La	Mg %	Mn	Mo	Na %	Ni	P	Pb	Sb	Sn	Sr	Ti %	U	V	W	Y	Zn
1	G14451	>1000	>30	0.24	385	60	<5	0.03	<1	8	30	>10000	3.95	<10	0.14	73	4	<0.01	12	>10000	32	25	<20	2	<0.01	<10	23	<10	<1	60
2	G14452	610	8.6	1.58	10	20	<5	2.30	<1	15	88	1104	2.54	<10	1.36	1525	<1	0.04	18	960	26	10	<20	54	0.08	<10	46	<10	1	343
3	G14453	115	8.5	1.53	10	45	60	0.88	1	80	108	1163	8.11	<10	1.39	1679	1	<0.01	44	910	94	<5	<20	13	0.10	<10	76	<10	<1	144
4	G14454	>1000	>30	2.79	5	50	825	0.94	6	34	155	>10000	6.40	<10	3.09	4948	16	<0.01	57	>10000	104	20	<20	25	<0.01	<10	123	<10	<1	599
5	G14455	>1000	>30	0.12	65	95	<5	0.01	10	13	26	>10000	>10	<10	<0.01	194	65	<0.01	8	>10000	566	10	<20	<1	<0.01	<10	16	<10	<1	356
6	G14456	75	>30	0.11	7010	70	<5	1.04	199	6	42	>10000	4.63	<10	0.26	1009	51	0.02	1	>10000	510	3310	<20	27	<0.01	<10	3	<10	<1	1304
7	G14457	220	>30	0.11	390	70	<5	0.09	55	2	149	>10000	0.32	<10	0.02	111	4	<0.01	5	100	94	3995	<20	30	0.02	<10	3	<10	<1	1113
8	G14458	5	2.4	1.98	10	60	15	1.03	<1	18	110	228	5.39	<10	1.39	996	<1	0.06	16	750	20	10	<20	29	0.13	<10	91	<10	<1	91
9	G14459	60	5.6	1.89	<5	50	15	0.47	<1	48	80	751	7.42	<10	1.69	1051	2	0.05	16	510	22	<5	<20	27	0.14	<10	151	<10	<1	95
10	G14460	5	>30	0.11	1660	50	<5	1.47	314	14	83	>10000	1.66	<10	0.53	917	37	<0.01	12	80	>10000	6110	<20	31	0.03	<10	27	<10	<1	>10000
11	G14461	150	13.3	2.44	25	85	<5	1.07	116	645	78	2933	>10	<10	1.59	3312	61	<0.01	58	320	136	<5	<20	18	0.17	<10	80	<10	<1	>10000
12	G14462	40	4.2	1.43	<5	60	<5	5.27	6	61	62	2052	>10	<10	1.34	4191	9	<0.01	62	370	50	<5	<20	47	0.15	<10	68	<10	<1	1424
13	G14463	>1000	>30	0.54	<5	80	<5	0.84	3	180	79	>10000	>10	<10	0.37	802	637	<0.01	191	<10	18	<5	<20	13	0.21	<10	87	<10	<1	98
14	G14464	650	16.8	0.64	<5	50	<5	0.50	1	160	126	3607	9.63	<10	0.50	500	673	<0.01	35	390	18	<5	<20	28	0.17	<10	67	<10	<1	52
15	G14465	<5	0.4	0.78	<5	30	<5	6.73	<1	8	48	107	2.03	<10	0.51	1864	12	0.02	3	450	12	10	<20	160	0.03	<10	21	<10	13	107
16	G14466	90	>30	2.23	10	80	<5	1.71	1	25	58	>10000	>10	<10	0.93	4973	11	<0.01	14	420	920	<5	<20	17	<0.01	<10	67	<10	<1	315
17	G14467	35	>30	1.99	<5	65	<5	1.80	1	29	60	>10000	9.14	<10	0.95	3883	5	<0.01	12	390	348	<5	<20	20	0.11	<10	64	<10	4	179
18	G14468	5	>30	1.23	<5	65	1705	3.60	<1	26	70	>10000	9.01	<10	0.55	3686	6	<0.01	10	>10000	72	<5	<20	30	<0.01	<10	39	<10	12	122
19	G14469	10	>30	4.10	<5	75	<5	3.12	3	28	77	>10000	>10	<10	2.02	9405	14	<0.01	25	380	180	<5	<20	28	0.19	<10	127	<10	9	773
20	G14470	220	3.2	0.14	155	90	<5	0.10	12	3	90	419	1.51	<10	<0.01	515	7	0.05	2	380	462	<5	<20	3	0.01	<10	7	<10	2	2253
21	G14471	95	2.2	0.20	70	190	<5	0.09	5	2	102	251	1.78	<10	<0.01	952	4	0.04	3	230	360	<5	<20	3	0.02	<10	7	<10	2	1122
22	G14472	35	28.2	0.16	95	140	<5	0.73	104	2	75	841	0.96	<10	0.19	845	39	<0.01	1	90	32	5	<20	10	0.01	<10	<1	<10	<1	>10000
23	G14473	165	2.1	2.60	40	65	<5	0.15	1	37	65	2992	>10	<10	0.89	1673	20	<0.01	6	230	40	<5	<20	3	0.08	<10	151	<10	<1	160
24	G14474	910	8.1	0.13	105	45	<5	<0.01	<1	9	116	355	6.26	<10	<0.01	75	11	<0.01	3	80	40	<5	<20	7	0.03	<10	22	<10	<1	64
25	G14475	>1000	1.5	0.17	20	120	<5	<0.01	<1	2	112	41	2.48	<10	<0.01	96	29	<0.01	3	110	74	<5	<20	5	0.01	<10	3	<10	<1	64
26	G14476	>1000	2.4	1.73	<5	45	<5	0.34	2	14	91	6886	5.80	<10	0.59	1517	3	<0.01	2	160	18	<5	<20	4	0.05	<10	16	<10	<1	605
27	G14477	>1000	1.4	0.48	<5	30	<5	0.14	10	4	153	2065	2.71	<10	0.11	467	11	<0.01	4	90	78	<5	<20	3	0.02	<10	8	<10	<1	1493
28	G14478	45	0.3	1.59	<5	55	5	0.09	<1	12	59	66	6.42	<10	0.45	1405	28	<0.01	3	410	16	<5	<20	1	0.08	<10	22	<10	<1	100
29	G14479	20	1.2	0.77	10	10	<5	1.28	<1	5	89	1395	0.89	<10	0.26	232	<1	<0.01	7	500	12	<5	<20	127	0.11	<10	38	<10	<1	9
30	G14480	10	0.6	0.78	5	10	<5	1.16	<1	5	103	335	0.89	<10	0.24	268	<1	<0.01	10	460	6	<5	<20	115	0.11	<10	42	<10	<1	8

ECO TECH LABORATORY LTD.										ICP CERTIFICATE OF ANALYSIS AK 2008- 1498														Lions Gate Energy INC						
Et #.	Tag #	Au(ppb)	Ag	Al %	As	Ba	Bi	Ca %	Cd	Co	Cr	Cu	Fe %	La	Mg %	Mn	Mo	Na %	Ni	P	Pb	Sb	Sn	Sr	Ti %	U	V	W	Y	Zn
31	G14481	10	0.8	1.34	<5	85	<5	0.44	<1	14	90	830	3.43	<10	1.28	498	5	0.05	11	950	12	<5	<20	7	0.20	<10	80	<10	<1	55
32	G14482	5	1.0	1.06	<5	65	<5	0.50	<1	13	82	562	3.26	<10	0.98	417	43	0.04	11	830	10	<5	<20	10	0.09	<10	70	<10	<1	45
33	G14483	40	8.5	0.32	100	60	<5	0.18	<1	3	48	2605	2.00	<10	0.02	48	42	0.02	2	990	30	<5	<20	3	0.02	<10	7	<10	2	32
34	G14484	5	0.9	0.88	<5	120	55	0.18	<1	6	91	135	2.67	<10	0.77	285	19	0.05	6	770	12	<5	<20	11	0.13	<10	59	<10	<1	30
35	G14485	5	0.8	0.99	<5	155	10	0.23	<1	7	95	231	2.73	<10	0.78	344	16	0.05	7	760	14	<5	<20	9	0.15	<10	58	<10	<1	40
36	G14486	10	0.7	0.28	<5	95	45	0.02	<1	3	89	29	2.26	<10	<0.01	17	8	0.04	2	520	12	<5	<20	7	0.01	<10	11	<10	<1	8
37	G14487	65	>30	0.54	<5	90	740	0.06	<1	5	57	9341	5.49	<10	0.23	118	134	0.04	3	650	160	<5	<20	19	0.05	<10	25	<10	<1	40
38	G14488	15	3.4	0.81	<5	105	645	0.15	<1	5	116	206	3.07	<10	0.54	249	57	0.05	6	680	44	<5	<20	16	0.09	<10	52	<10	<1	28
39	G14489	5	0.9	0.82	<5	75	15	0.30	2	8	78	150	2.74	<10	0.54	252	3	0.05	4	720	46	<5	<20	14	0.04	<10	36	<10	<1	247
40	G14490	<5	0.8	0.63	5	105	<5	0.01	<1	<1	84	44	1.62	10	0.13	47	2	0.04	3	330	14	60	<20	16	0.01	<10	14	<10	<1	30
41	G14491	5	3.6	0.25	120	35	<5	0.02	<1	2	77	344	2.06	<10	<0.01	19	14	<0.01	2	230	116	580	<20	8	0.01	<10	7	<10	<1	48
42	G14492	20	12.3	0.52	15	50	940	0.06	2	9	105	5694	6.14	<10	0.07	99	4	0.01	5	380	40	10	<20	<1	0.04	<10	9	<10	<1	174
43	G14493	35	1.3	0.95	10	60	<5	0.05	<1	14	62	322	4.85	<10	0.41	158	2	0.02	5	160	16	<5	<20	3	0.04	<10	12	<10	<1	41
44	G14494	20	0.8	1.37	<5	30	<5	1.22	461	92	107	497	7.25	<10	0.11	658	142	0.07	13	240	12	<5	<20	64	0.11	<10	48	50	<1	>10000
45	G14495	10	1.1	2.81	<5	45	<5	1.57	2	49	94	1241	9.79	<10	0.39	372	3	0.41	39	630	22	<5	<20	96	0.17	<10	63	<10	<1	156
46	G14496	5	0.5	1.21	<5	85	15	0.75	2	26	96	525	3.89	<10	0.88	384	14	0.08	12	1140	20	<5	<20	24	0.16	<10	69	<10	2	172
47	G14497	10	0.3	1.50	<5	160	<5	1.02	<1	16	79	302	3.84	10	1.14	461	410	0.13	5	1960	12	<5	<20	111	0.24	<10	77	<10	4	65
48	G14498	75	>30	0.32	85	45	600	0.04	2	3	184	257	1.90	<10	0.02	31	42	0.01	4	280	2194	70	<20	4	0.01	<10	9	<10	<1	301
49	G14499	945	>30	0.05	2440	40	4405	<0.01	1	4	172	2198	5.32	<10	<0.01	18	3	0.01	3	50	>10000	5220	<20	7	0.03	<10	1	<10	<1	320
50	G14500	10	1.1	0.63	10	65	5	0.07	<1	1	127	39	1.57	10	0.19	49	6	0.04	3	650	38	15	<20	9	0.01	<10	21	<10	1	15
51	G14501	455	>30	0.29	100	80	1150	<0.01	5	9	137	1352	>10	<10	<0.01	30	21	0.02	4	30	1200	460	<20	11	0.08	<10	11	<10	<1	124
52	G14502	15	1.2	0.70	10	45	10	0.58	<1	7	90	376	5.06	<10	0.06	115	12	0.03	8	890	38	<5	<20	5	0.03	<10	20	<10	1	38
53	G14503	>1000	>30	0.13	535	30	<5	0.06	>1000	121	113	>10000	5.82	<10	<0.01	617	201	<0.01	4	260	9520	10	<20	4	0.05	<10	7	60	<1	>10000
54	G14504	730	4.7	2.54	25	35	<5	9.92	44	21	150	1406	6.01	<10	1.25	8786	13	0.01	50	600	62	15	<20	53	0.21	<10	85	<10	<1	4806
55	G14505	20	0.5	0.21	<5	145	35	7.34	7	39	22	28	>10	<10	0.26	5900	7	0.01	13	150	10	<5	<20	48	0.21	<10	19	<10	<1	226
QC DATA:																														
Repeat:																														
1	G14451	>1000	>30	0.26	370	60	<5	0.03	<1	9	31	>10000	4.08	<10	0.16	79	6	<0.01	13	>10000	34	30	<20	1	<0.01	<10	25	<10	<1	58
7	G14457	240																												
10	G14460	<5	>30	0.11	1600	45	<5	1.42	306	13	83	>10000	1.61	<10	0.51	893	35	<0.01	11	<10	>10000	6105	<20	27	0.04	<10	26	<10	<1	>10000
11	G14461	170																												
14	G14464	605																												
19	G14469	20	>30	4.07	<5	80	<5	3.06	4	28	78	>10000	>10	<10	2.00	9379	16	<0.01	27	<10	176	<5	<20	26	0.18	<10	125	<10	10	769
24	G14474	880																												
36	G14486	5	0.8	0.28	<5	95	45	0.02	<1	3	87	23	2.28	<10	<0.01	17	8	0.04	2	540	10	<5	<20	9	0.01	<10	11	<10	<1	9
45	G14495	10	1.2	2.85	<5	50	<5	1.63	3	49	93	1284	9.93	<10	0.40	369	4	0.42	40	650	28	<5	<20	99	0.15	<10	64	<10	<1	170
51	G14501	430																												
54	G14504	700																												
Resplit:																														
1	G14451	>1000	>30	0.27	375	65	<5	0.03	<1	8	37	>10000	4.23	<10	0.15	73	7	<0.01	12	>10000	38	35	<20	1	<0.01	<10	24	<10	<1	57
36	G14486	10	0.6	0.29	<5	90	55	0.03	<1	3	87	21	2.26	<10	<0.01	20	7	0.04	2	540	10	<5	<20	7	0.01	<10	11	<10	<1	9
Standard:																														
Pb129a			11.5	0.84	15	65	<5	0.47	60	5	9	1426	1.68	<10	0.68	343	3	0.02	4	420	6148	20	<20	31	0.03	<10	17	<10	<1	9978
Pb129a			11.5	0.81	15	75	<5	0.48	59	6	11	1360	1.65	<10	0.70	351	3	0.03	5	410	6230	20	<20	34	0.03	<10	20	<10	<1	9992
SF30		830																												
SF30		825																												
JJ/sa																						ECO TECH LABORATORY LTD.								
df/1723B																						Jutta Jealouse								
XLS/08																						B.C. Certified Assayer								

11-Nov-08

Alex Stewart Geochemical

ECO TECH LABORATORY LTD.

10041 Dallas Drive

KAMLOOPS, B.C.

V2C 6T4

www.alexstewart.com

Phone: 250-573-5700

Fax : 250-573-4557

Values in ppm unless otherwise reported

ICP CERTIFICATE OF ANALYSIS AK 2008- 1514

Lions Gate Energy INC

15th Floor-675 W.Hastings St.

VANCOUVER, BC

V6B 1N2

Attention: Frank Callaghan

No. of samples received: 28

Sample Type: Rock

Project: El Toro

Submitted by:J.Pautler

Shipment#: 2

Et #.	Tag #	Au ppb	Ag	As	Ba	Bi	Ca %	Cd	Co	Cr	Cu	Fe %	La	Mg %	Mn	Mo	Na %	Ni	P	Pb	Sb	Sn	Sr	Ti %	U	V	W	Y	Zn
1	G14506	25	5.4	35	30	<5	3.82	272	46	71	7142	4.17	<10	1.32	5993	<1	<0.01	102	910	428	<5	<20	150	0.17	<10	29	<10	<1	>10000
2	G14507	25	4.2	25	40	<5	0.35	17	23	46	241	6.15	<10	1.11	1717	13	0.07	33	920	18	65	<20	23	0.09	<10	68	<10	<1	4128
3	G14508	45	2.0	35	55	15	0.08	1	26	102	28	8.97	<10	0.60	1910	4	0.02	4	640	14	<5	<20	8	0.08	<10	39	<10	<1	249
4	G14509	60	2.4	125	50	5	0.08	<1	21	119	40	8.64	<10	0.41	772	5	0.02	4	250	42	<5	<20	11	0.07	<10	35	<10	<1	126
5	G14510	45	>30	65	45	<5	0.02	<1	15	93	>10000	7.51	<10	0.10	558	5	<0.01	7	<10	34	<5	<20	7	0.07	<10	12	<10	<1	52
6	G14511	25	>30	<5	85	<5	0.01	27	47	97	>10000	>10	<10	1.02	3445	94	<0.01	113	<10	66	340	<20	1	<0.01	<10	125	<10	<1	289
7	G14512	55	0.5	<5	225	<5	<0.01	<1	<1	79	130	0.78	<10	<0.01	45	5	0.03	2	40	6	<5	<20	9	<0.01	<10	<1	<10	2	17
8	G14513	15	>30	<5	60	<5	<0.01	1	10	125	>10000	>10	<10	0.12	473	18	<0.01	7	<10	20	<5	<20	5	0.10	<10	44	<10	<1	47
9	G14514	50	24.6	<5	45	<5	0.02	3	20	118	>10000	7.79	<10	0.65	1884	50	<0.01	15	<10	26	20	<20	6	0.02	<10	71	<10	<1	93
10	G14515	15	5.2	<5	50	<5	0.26	3	16	147	2523	6.20	<10	0.62	1932	17	<0.01	12	40	20	15	<20	11	0.05	<10	47	<10	<1	162
11	G14516	35	6.3	15	45	<5	0.22	2	14	79	817	6.78	<10	0.75	2210	2	<0.01	2	640	2284	<5	<20	39	0.09	<10	18	<10	<1	361
12	G14517	85	>30	<5	75	560	0.02	3	17	103	>10000	>10	<10	0.34	922	10	<0.01	6	>10000	60	<5	<20	12	<0.01	<10	50	<10	<1	85
13	G14518	10	9.1	<5	55	<5	0.01	14	20	72	4631	8.91	<10	0.38	1582	13	<0.01	6	120	2846	<5	<20	10	0.08	<10	27	<10	<1	2830
14	G14519	20	>30	<5	55	<5	0.01	1	9	128	8482	8.90	<10	0.02	180	47	<0.01	5	<10	44	<5	<20	11	0.08	<10	44	<10	<1	48
15	G14520	5	13.3	<5	45	<5	0.89	7	28	104	>10000	5.74	<10	2.33	3348	15	<0.01	51	<10	524	75	<20	99	<0.01	<10	129	<10	<1	625
16	G14521	20	22.5	200	85	<5	0.04	2	50	138	8159	>10	<10	1.70	7705	102	<0.01	31	20	482	<5	<20	14	0.26	<10	165	<10	<1	461
17	G14522	35	>30	<5	75	<5	0.01	6	14	91	>10000	>10	<10	0.14	550	51	<0.01	12	>10000	926	<5	<20	10	<0.01	<10	42	<10	<1	319
18	G14523	105	>30	15	45	<5	0.07	<1	15	121	>10000	3.61	<10	0.14	748	6	<0.01	5	<10	38	<5	<20	7	0.04	<10	8	<10	3	82
19	G14524	180	>30	50	75	85	0.02	18	90	118	>10000	>10	<10	<0.01	327	<1	<0.01	57	>10000	72	<5	<20	9	<0.01	<10	24	<10	<1	3246
20	G14525	30	4.9	15	50	<5	0.06	2	60	91	854	>10	<10	0.31	890	53	<0.01	24	340	104	<5	<20	8	0.07	<10	26	<10	<1	174
21	G14526	15	2.1	<5	35	<5	0.15	<1	10	44	355	3.52	<10	0.40	159	<1	0.06	2	450	8	<5	<20	38	0.14	<10	15	<10	2	25
22	G14527	35	11.7	55	75	<5	1.39	2	55	77	>10000	>10	<10	1.57	3841	16	<0.01	19	<10	18	<5	<20	17	0.13	<10	99	<10	<1	205
23	G14528	5	0.3	5	50	<5	0.50	<1	16	52	7902	3.25	<10	0.77	1528	<1	<0.01	4	<10	12	<5	<20	30	0.05	<10	37	<10	16	141
24	G14529	225	6.8	<5	55	<5	0.73	1	229	112	8767	>10	<10	0.42	577	12	<0.01	86	230	12	<5	<20	42	0.17	<10	75	<10	<1	65
25	G14530	190	15.8	<5	70	<5	0.56	2	48	51	>10000	>10	<10	0.61	832	374	0.02	30	<10	16	<5	<20	25	0.14	<10	44	<10	<1	193
26	G14531	>1000	>30	<5	100	250	0.11	4	469	53	>10000	>10	<10	<0.01	56	180	<0.01	14	>10000	22	<5	<20	15	<0.01	<10	15	<10	<1	237
27	G14532	535	16.0	<5	50	<5	0.41	2	111	95	>10000	5.99	<10	0.57	331	47	<0.01	360	<10	12	<5	<20	13	0.10	<10	19	<10	<1	48
28	G14533	140	5.1	<5	75	<5	3.84	3	58	47	9813	>10	<10	1.74	1747	693	<0.01	14	1360	14	<5	<20	57	0.11	<10	337	<10	8	90

7-Nov-08

Alex Stewart Geochemical
ECO TECH LABORATORY LTD.
10041 Dallas Drive
KAMLOOPS, B.C.
V2C 6T4
www.alexstewart.com

Phone: 250-573-5700
Fax : 250-573-4557

ICP CERTIFICATE OF ANALYSIS AK 2008- 1499

Lions Gate Energy Inc
15th Floor-675 W.Hastings St.
VANCOUVER, BC
V6B 1N2

No. of samples received: 9
Sample Type:Soil
Project: El Toro
Shipment #:1
Submitted by:Jean Pautler

Values in ppm unless otherwise reported

Et #.	Tag #	Au(ppb)	Ag	Al %	As	Ba	Bi	Ca %	Cd	Co	Cr	Cu	Fe %	La	Mg %	Mn	Mo	Na %	Ni	P	Pb	Sb	Sn	Sr	Ti %	U	V	W	Y	Zn
1	W-S1	5	0.7	0.86	<5	115	10	0.04	<1	7	8	173	5.35	10	0.44	171	10	0.03	5	1160	104	<5	<20	38	0.07	<10	47	<10	2	55
2	W-S2	15	0.6	0.85	10	95	<5	0.08	<1	6	11	198	3.76	10	0.41	189	9	0.03	3	930	102	<5	<20	20	0.06	<10	55	<10	3	59
3	W-S3	5	0.2	1.03	<5	110	5	0.05	1	9	9	153	5.86	20	0.49	218	21	0.08	5	1400	44	<5	<20	67	0.08	<10	54	<10	1	43
4	W-S4	5	0.2	1.08	<5	115	10	0.05	<1	9	11	231	5.47	20	0.52	258	20	0.08	5	1360	34	<5	<20	57	0.07	<10	54	<10	3	47
5	BD-01	5	0.3	1.09	<5	110	20	0.05	<1	9	12	237	5.53	20	0.51	243	18	0.08	6	1340	32	<5	<20	58	0.06	<10	53	<10	2	46
6	BD-02	5	1.2	0.79	120	105	20	0.03	2	7	13	372	9.81	20	0.38	137	13	0.07	4	1670	28	<5	<20	45	0.09	<10	59	<10	<1	62
7	BD-03	20	1.9	1.19	<5	75	15	0.02	1	7	3	121	7.86	20	0.28	333	6	0.03	4	880	22	<5	<20	<1	0.03	<10	48	<10	1	46
8	BD-04	20	0.9	1.13	<5	70	15	0.02	1	5	18	282	8.02	<10	0.36	268	15	0.01	2	440	18	<5	<20	<1	0.03	<10	91	<10	<1	30
9	BD-05	10	<0.2	1.05	105	115	30	0.01	5	19	7	67	>10	20	0.03	570	17	0.01	3	2170	36	<5	<20	2	0.09	<10	331	<10	<1	74
QC DATA:																														
Repeat:																														
1	W-S1	5	0.6	0.79	<5	105	5	0.04	<1	5	6	151	4.94	10	0.41	158	8	0.03	5	1090	98	<5	<20	34	0.06	<10	41	<10	1	50
Standard:																														
SF30		825																												
Till3			1.5	1.01	85	40	5	0.51	<1	12	61	23	2.02	10	0.56	304	1	0.03	31	470	32	5	<20	11	0.07	<10	38	<10	9	39

JJ/ndw
df/1273RS
XLS/08

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

El Toro Project
Statement of Expenditures 2008

Wages:

J. Pautler	Aug. 27 - Sept. 6	11 days @ 750.00/day	$8,250.00
Brad Davies	Aug. 27 - Sept. 6	11 days @ 300.00/day	3,300.00
J. F. Callaghan	Sept. 5	1 day @ 500.00/day	500.00

Total: 23 man-days **$12,050.00**

Preparation, mobilization, demobilization: (wages and transport) **4,250.00**

Geochemistry:

83 rocks	@ 33/ea.	Au, ICP	2,739.00
15 soils	@ 33/ea.	Au, ICP	495.00
30 assays	@10/ea.	Cu, Ag	300.00
	shipping		127.37

Total: **3,661.37**

Helicopter: Canadian Helicopters, Smithers, British Columbia

Aug. 30-31, Sept. 1, 4	10 hrs @ $1,000/hr		10,000.00
		Fuel	1,010.00

Total: **11,010.00**

Equipment Rental:

Truck	12 days @ 75/day	900.00
Truck	4 days @ 100/day	400.00
Fuel used on site		300.00
Radios, sat phone	11 days	110.00

Total: **1,710.00**

Room and Board: 26 man days @ 130.00/md **3,380.00**

Field Supplies: (flagging tape, batteries, sample bags, markers, tags) **460.00**

Maps and Copies: **100.00**

Report & Drafting: **6,000.00**

TOTAL: **$42,621.37**