VICTORY RESOURCES CORPORATION

(Owner & Operator)

GEOLOGICAL ASSESSMENT REPORT

(Event 4405688)

on a

STRUCTURAL ANALYSIS

Work done on

Tenure 589954

of the

Toni 589954 Claim Group

of the

TONI PROPERTY

Similkameen/Nicola Mining Division
BCGS Map 092H.089/099/100

Centre of Work
6541100N 699500E

AUTHOR & CONSULTANT

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ILLUSTRATIONS

SUMMARY

The eighteen claim 589954 claim group of the TONI property covers an area of 7111 hectares located 240 kilometres northeast of Vancouver, 45 kilometres southwest of Merritt, and 17 kilometres northeast of the past productive Brenda Mine in south-central British Columbia

The Property covers primarily covers portions of a contact northwesterly contact between the Pennask batholith (LTrJgd) in the north, west, and east (Figure 4) with an embayment of the Upper Triassic eastern belt of Nicola volcanics (UTrNE)

The Structural Analysis on Tenure 589954 of the 18 claim 589954 claim group indicated a major structure comprised of three prime northerly trending structures over a 400 metre width that suggests a regional shear zone or graben related structural zone within the granodioritic Pennask batholith. Composite prime northwesterly trending structures and strong indicators of associated northeasterly trending structures are related to the strain ellipsoid of a lateral movement of the major northerly structure.

The major structure could localize the emplacement of later phases of the granodiorite intrusive as “stocks” or gradational varieties of the granodiorite, that may surficially reveal associated potentially economic sub-surface mineralization which could be indicated within the major structure, associated structures, or distant fractures, dependent on the time related basis.

An example of these fault related mineral indicators in the immediate area is at the Brew showing (see Minfile 092HNE275 in text) 12 kilometres southwest, where a 40 metre wide northwest striking fault within the Nicola volcanics hosts sections of strongly mineralized massive veins, narrow stringers and occasional disseminations of marcasite, pyrite and pyrrhotite and samples of pyritic clay-altered sections that have yielded up to 0.280 gram per tonne gold and 0.445 per cent arsenic. The mineralization, plausibly, originates from an intrusive.

An example of mineralization hosted by a stock or gradational sequence of the Pennask batholith is at the Brenda copper-molybdenum deposit (see MINFILE 092HNE047 in text) 17 km southwest, where the "Brenda stock", a composite quartz diorite/granodiorite body which forms part of the Pennask batholith. The Brenda mine, which began production in early 1970 from a measured geological (proven) reserve of 160,556,700 tonnes grading 0.183 per cent copper and 0.049 per cent molybdenum, was officially closed in 1990.

A general exploration program of prospecting, geological mapping and sampling covering the major structure with emphasis on the cross structural areas should be completed. The exploration program should be focused on not only general geological aspects and/or primary mineralization but on the recognition of intrusive differentiation, indicator minerals, and alteration patterns.

INTRODUCTION

In November, 2009 a Structural Analysis was completed Tenure 589954 of the 18 claim 589954 claim group ("Property) of Victory's TONI property. The purpose of the program was to delineate potential structures which may be integral in geological controls to potentially economic mineral zones that may occur on Tenure 589954 or other claims of the Toni 1 property.

Information for this report was obtained from sources as cited under Selected References.

PROPERTY DESCRIPTION AND LOCATION

The property consists of 18 claims covering an area of 7111.6648 ha. Particulars are as follows:

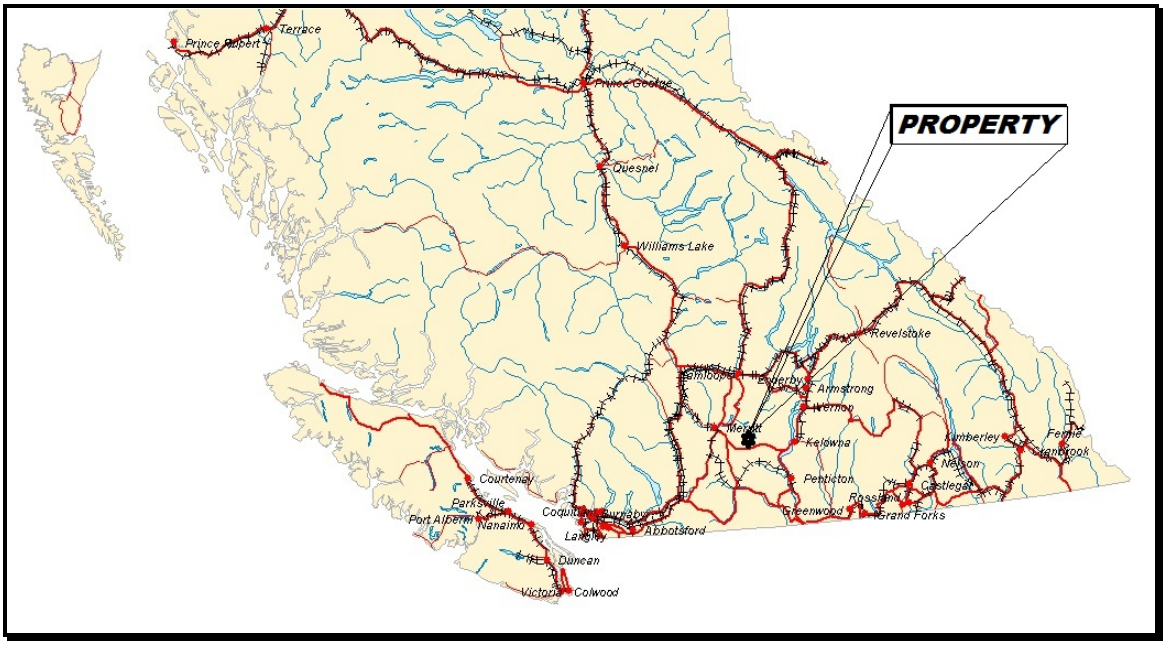
Tenure Number	Type	Claim Name	Good Until	Area (ha)
551397	Mineral	ENY	20100820	499.1721
551399	Mineral	MEANY	20100710	499.3213
551400	Mineral	MINY	20100710	312.041
564565	Mineral	BREW 3	20100710	20.8141
564567	Mineral	BREW 5	20100710	457.8441
564568	Mineral	BREW 6	20100710	208.1299
564570	Mineral	BREW 8	20100710	374.476
564571	Mineral	BREW 9	20100710	41.6052
568678	Mineral	DELVIN	20100710	20.8018
589881	Mineral	TONI 19	20100820	519.8397
589883	Mineral	TONI 20	20100820	519.7127
589918	Mineral	TONI 21	20100820	519.3997
589925	Mineral	TONI 24	20100920	519.7367
589954	Mineral	TONI 42	20100820	519.3058
589955	Mineral	TONI 43	20100820	519.536
589956	Mineral	TONI 44	20100820	519.7652
589957	Mineral	TONI 45	20100820	519.9952
589958	Mineral	TONI 46	20100820	520.168

Total Area: 7111.6645 ha

*Upon the approval of the assessment work filing, Event Number 4405688.

The Property is located within BCGS Map 092H.089/099/100 of the Nicola and the Similkameen Mining Divisions, 240 kilometres from Vancouver, 45 direct kilometres from Merritt and 17 kilometres from the past producer Brenda Mine. The centre of the work area is at 6541100N 699500E (NAD 83).

Figure1. **Location Map**



ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

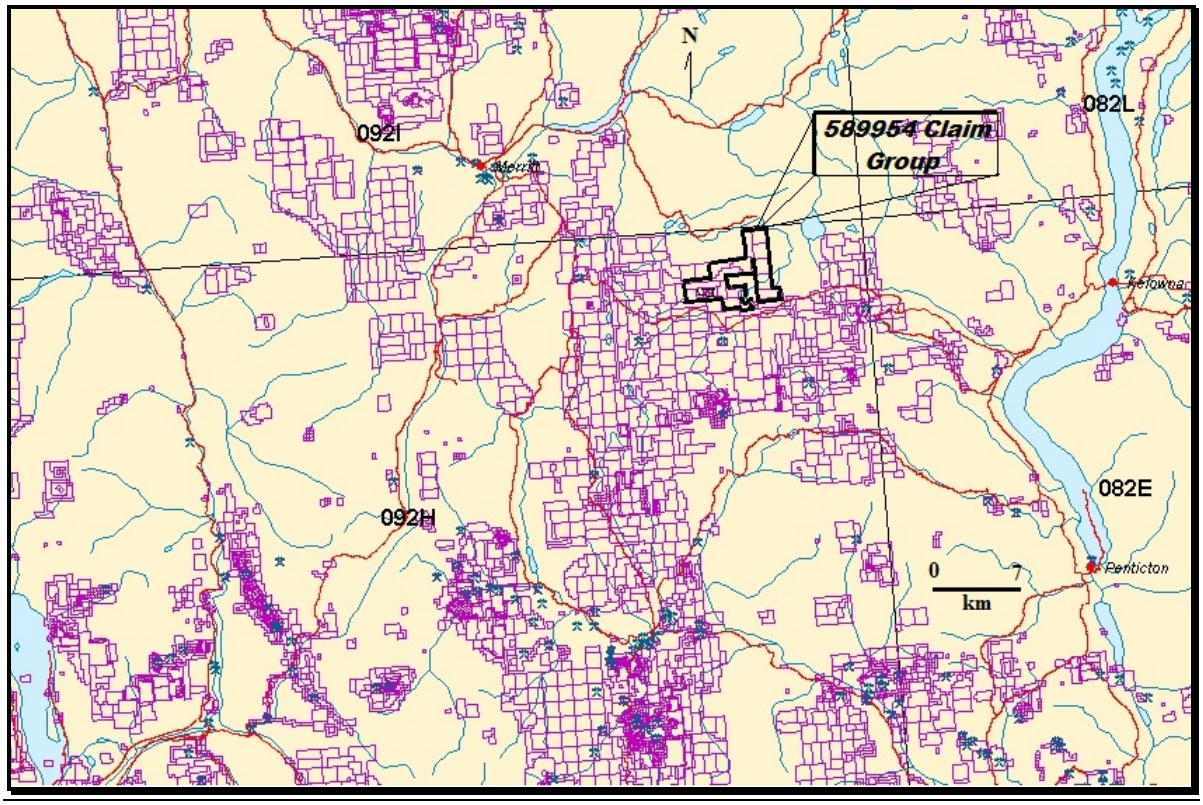
Access to the Property is southward and eastward from Merritt via Highway 97C or the Coquihalla connector Highway for 52 kilometres to the Brew mineral showing which is located on the southernmost Tenure of the Toni 1 claim Group. From this general location forestry roads provide access to most portions of the Property which is mostly located north of the Highway.

The region is situated within the dry belt of British Columbia with rainfall between 25 and 30 cm per year. Temperatures during the summer months could reach a high of 35° and average 25°C with the winter temperatures reaching a low of -10° and averaging 8°. On the Property snow cover on the ground could be from December to April and would not hamper a year-round exploration program.

Sufficient water for all phases of the exploration program could be available from the many lakes and creeks, which are located within the confines of the property. Water may be scarce during the summer months and any water required for exploratory purposes, would be transported.

Merritt, and/or Kamloops, historic mining centres, could be a source of experienced and reliable exploration and mining personnel and a supply for most mining related equipment. Kamloops is serviced daily by commercial airline and is a hub for road and rail transportation. Vancouver, a port city on the southwest corner of, and the largest city in, the Province of British Columbia is four hours distant by road and less than one hour by air from Kamloops.

Figure 2. **Claim Group Location**



HISTORY: AREA

The history on some of the more significant mineral MINFILE reported occurrences, prospects, and past producers in the area peripheral to the Property (Figures 3 & 4) are reported as follows:

MAL prospect (Cu skarn; Fe skarn; Au skarn)
MINFILE 092HNE002
17 km west south-west

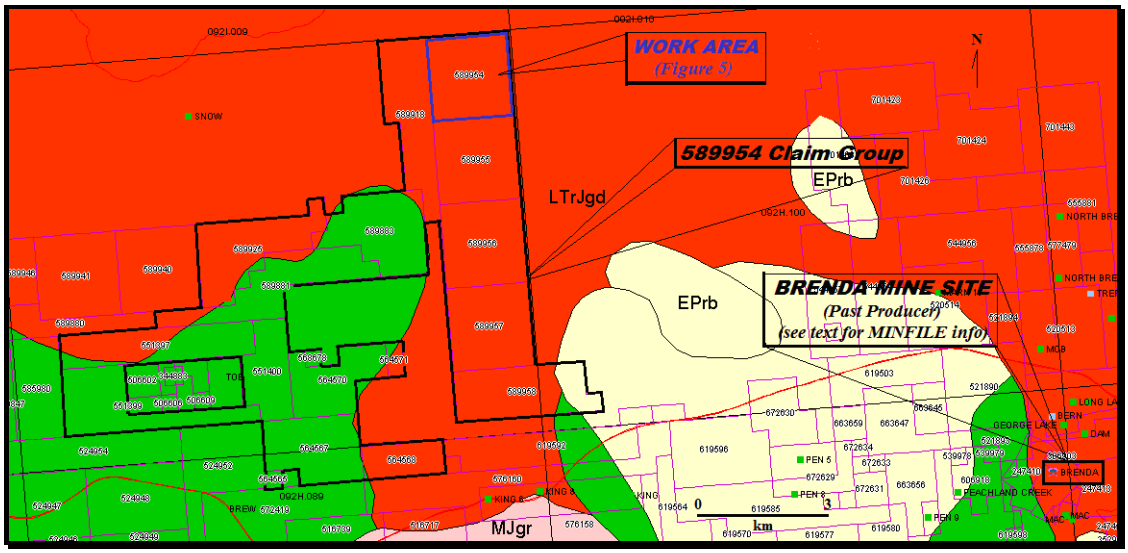
Initial work consisted of diamond drilling and trenching in the early 1960s on the main showing (Malachite 1,2 and Chalcocite 1,2 claims), on which the occurrence is centred. This is located on access road number 5116, 1 kilometre south of Quilchena Creek, 11.5 kilometres east-northeast of the community of Aspen Grove. A second showing, smaller and less significant but with the same characteristics, is located 1 kilometre to the southwest (Malachite 7, 092HNE269).

***HISTORY: AREA** (cont'd)*

BRENDA past producer (Porphyry Cu +/- Mo +/- Au)
MINFILE 092HNE047
17 km southeast

The Brenda mine began production in early 1970 with measured geological (proven) reserves of 160,556,700 tonnes grading 0.183 per cent copper and 0.049 per cent molybdenum at a cutoff of 0.3 per cent copper equivalent [eCu = % Cu + (3.45 x % Mo)]. The mine officially closed June 8, 1990.

Figure 3. **Claim & Index Map**



HN-WEN prospect (Volcanic redbed Cu)
MINFILE 092HNE058
16 km southwest

Adits and trenches were initially cut around 1900; later work included diamond drilling and trenching in the 1960s and 1970s.

ECHO showing (Volcanic redbed Cu)
MINFILE 092HNE059
16 km west southwest

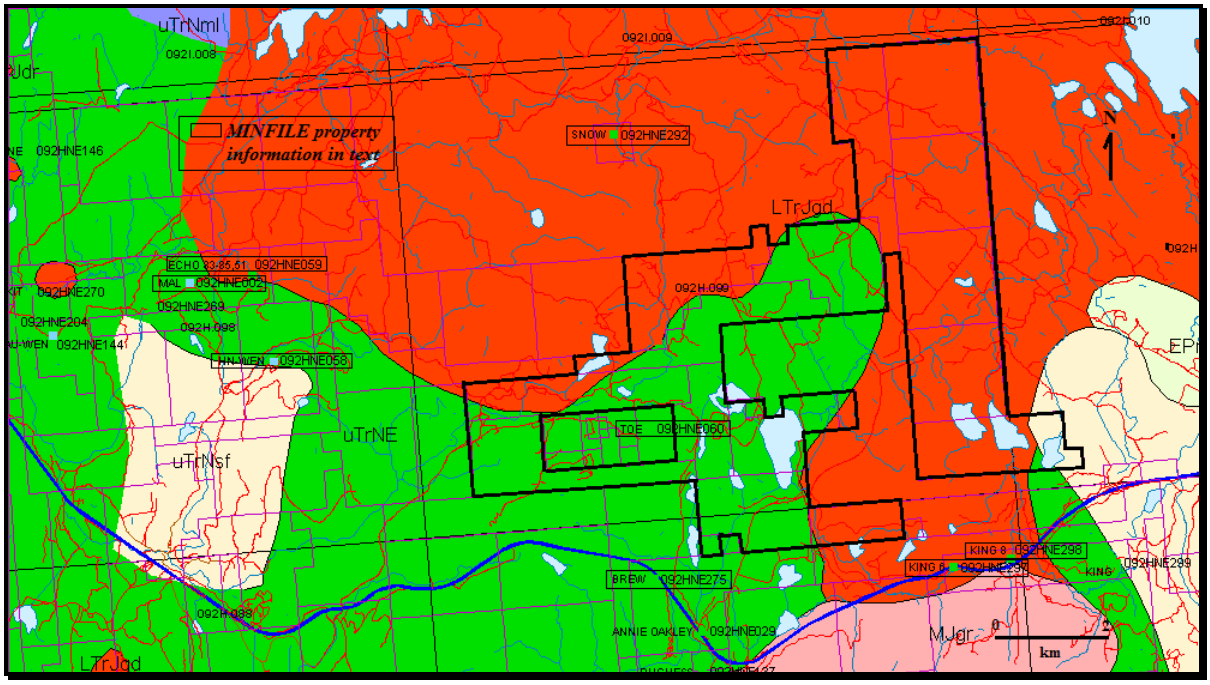
The occurrence is centred on the northernmost of three showings which were worked on in the 1960s, in a small area (less than 0.5 square kilometre) located southeast of Quilchena Creek, 8.5 kilometres west-northwest of Boot Lake, and 13 kilometres east of the community of Aspen Grove (Assessment Report 1586).

***HISTORY:AREA** (cont'd)*

KING 6, KING showing (Intrusion-related Au pyrrhotite veins; Polymetallic veins Ag-Pb-Zn+/-Au)
MINFILE 092HNE297
11 km south

The showing was sampled by Kingsvale Resources Inc. in 1991.

Figure 4. **Geology & MINFILE**



KING 8, KING showing (Intrusion-related Au pyrrhotite veins; Polymetallic veins Ag-Pb-Zn+/-Au)
MINFILE 092HNE298
12 km south southwest

The showing was sampled by Kingsvale Resources Inc. in 1991.

KING, KING 8 showing (Intrusion-related Au pyrrhotite veins; Polymetallic veins Ag-Pb-Zn+/-Au)
MINFILE 092HNE299
12 km south southwest

The showing was sampled by Kingsvale Resources Inc. in 1991.

GEOLOGY: REGIONAL

The Aspen Grove geological district is located within the regional Quesnel Trough, a 30 to 60, km wide belt of Lower Mesozoic volcanic and related strata enclosed between older rocks and much invaded by batholiths and lesser intrusions (Campbell and Tipper, 1970). The southern part is the well-known Nicola belt, continuing nearly 200 km to its termination at the U.S. border and containing the important copper deposits of Highland Valley, Craigmont, Copper Mountain, Afton, Brenda, in addition to the historic Hedley gold camp.

The Nicola Group has been divided into western, central, and eastern belts on the basis of lithology and lithogeochemistry and by major fault systems. Variation from calc-alkaline to shoshinitic compositions from west to east has been interpreted to reflect eastward dipping subduction in the Nicola arc. The Property is situated within the eastern belt of the Nicola Group which is bounded on the west by the northerly striking Kentucky-Alleyne fault zone.

GEOLOGY: AREA

The geology on some of the more significant mineral MINFILE reported occurrences, prospects, and past producers peripheral to the Property (Figure 4) are reported as follows.

MAL prospect (Cu skarn; Fe skarn; Au skarn)
MINFILE 092HNE002
17 km west southwest

The Malachite occurrence is hosted in the Upper Triassic Nicola Group, which regionally consists of alkalic and calcalkalic volcanics and intrusions of island arc origin, and which is the principal component of the Quesnel Terrane in southern British Columbia (Geological Survey of Canada Maps 41-1989, 1713A). This belt has been of major economic interest because of its potential for porphyry copper-gold mineralization.

The occurrence lies in the northern assemblage of the Eastern belt or facies of the Nicola Group (after Preto, Bulletin 69). This assemblage mainly consists of well-bedded submarine volcaniclastic rocks and volcanic flows. The main Aspen Grove copper camp lies several kilometres to the west in the Central belt, separated by the north-striking Kentucky-Alleyne fault system (Bulletin 69).

The area of the Malachite occurrence is underlain by dark green, augite porphyritic andesitic to basaltic volcanics and fragmental rocks, with subordinate black argillite with local limy horizons, and feldspar porphyry (Assessment Reports 449, 1586). Some volcanic flow breccia contains pink trachytic fragments (Assessment Report 9590). Stratified rocks strike north-northwest and dip moderately to steeply west (Geological Survey of Canada Map 41-1989). Within 1 or 2 kilometres to the north of these rocks is the east-trending contact of the Early Jurassic Pennask batholith, a large intrusion of medium-grained granodiorite to quartz diorite.

The volcanics and sedimentary rocks have been altered, probably the result of hydrothermal activity related to the Pennask batholith. Epidote alteration is common; potassium feldspar alteration is more restricted. Skarn alteration is most characteristic of this occurrence, as it hosts the main mineralization. It is closely associated with limy rocks, and is marked by epidote and garnet. North-trending gossanous shear zones have been exposed in trenches near the skarn zones (Assessment Report 449).

GEOLOGY MAP LEGEND

Pleistocene to Recent

PlRal
Unnamed alluvial till
PlRvk
Unnamed alkalic volcanic rocks

Upper Triassic

Eastern Volcanic Facie
uTrNE
Lower amphibolite/kyanite grade metamorphic rocks
uTtNsf
Mudstone, siltstone, shale, fine clastic sedimentary rocks
uTrNMl
Basaltic volcanic rocks
uTrJum
Unnamed ultramafic rocks

Central Volcanic Facies
uTrNc
Andesitic volcanic rocks

Late Triassic to Early Jurassic

LTrJgd
Unnamed granodiorite intrusive rocks

LTrJdr
Dioritic to gabbroic intrusive rocks

Geology: Area (cont'd)

BRENDA past producer (Porphyry Cu +/- Mo +/- Au)
MINFILE 092HNE047
17 km southeast

The Pennask Mountain area is mainly underlain by a roof pendant comprising westerly younging, Upper Triassic sedimentary and volcaniclastic rocks of the Nicola Group. These are intruded and enclosed to the north, east and south by plutonic rocks of the Early Jurassic Pennask batholith and Middle Jurassic Osprey Lake batholith. Both the Nicola rocks and the Pennask batholith are unconformably overlain by Tertiary sediments and volcanics of the Princeton Group.

The Brenda copper-molybdenum deposit is within the "Brenda stock", a composite quartz diorite/granodiorite body which forms part of the Pennask batholith. Several ages and compositions of pre and post-ore dikes cut the stock. The deposit is approximately 390 metres from the contact with Nicola Group rocks to the west.

Nicola Group tuffs, volcanic breccias and flows adjacent to the Brenda stock have been altered to "schistose hornfels". This hornfels, which is as wide as 450 metres, is characterized by the development of bands and aligned lenses of felted brown to black biotite. Schistosity generally strikes roughly parallel to the intrusive contact and dips west at 30 to 70 degrees. The schistose hornfels grades westerly into recognizable west-dipping volcanic rocks which in turn are overlain by greywacke, argillite and shales.

The Brenda stock is a composite, zoned quartz diorite to granodiorite body which can be divided into two units. Unit 1 is of quartz diorite composition and contains abundant mafic minerals (hornblende > biotite) and angular quartz grains, whereas unit 2 is porphyritic granodiorite and contains fewer mafic minerals (biotite > hornblende), well-defined biotite phenocrysts and subhedral quartz grains. The contact between units 1 and 2 is generally gradational, but locally sharp. At sharp contacts, unit 2 is chilled against unit 1.

Dikes of several ages and compositions cut the Brenda stock. At least four types, aplite-pegmatite, andesite, trachyte porphyry and basalt, have been identified in the Brenda orebody. Similar dikes, as well as felsite, dacite and quartz diorite have been mapped beyond the limits of economic mineralization. The aplite-pegmatite dikes are cut by all other dikes and by all mineralized fractures. The andesite dikes have been altered and mineralized during ore formation. Two types of quartz diorite dikes are found and both are cut by quartz-sulphide veins. Dacite porphyry and felsite dikes are also cut by quartz-sulphide veins.

A trachyte porphyry dike up to 4.5 metres wide and 300 metres in strike length is exposed in the Brenda pit. A weakly mineralized vein was observed in the dike which suggested an intermineral age for the dike. Further evidence has clearly shown that the dikes cut all stages of mineralization, except some of the latest quartz veins (Canadian Institute of Mining and Metallurgy Special Volume 15). Several post-mineral hornblende lamprophyre dikes also occur within the Brenda orebody and are probably genetically related to the trachyte porphyry dikes.

Irregular, branching basalt dikes, probably related to Tertiary volcanism, have been intruded along pre-existing fault zones. They cut all phases of mineralization and alteration.

Geology: Area *(cont'd)*

BRENDA *past producer (cont'd)*

Initial potassium-argon dating of two samples from the Brenda mine area resulted in different ages for hornblende (176 Ma) and biotite (148 Ma). Interpretation of these results suggests that the Brenda stock crystallized about 176 million years ago. Biotite samples from the pit area have been dated at about 146 Ma, which probably represents the age of mineralization (Canadian Institute of Mining and Metallurgy Special Volume 15).

Faults in the Brenda pit are expressed as fracture zones in which the rock is intensely altered to clay minerals, sericite, epidote and chlorite. These fracture zones range in width from a few centimetres to 9 metres. Most strike 070 degrees and dip steeply south. Northwest-striking faults exhibit left-lateral movement. The faults transect all mineralization, except some calcite veins. Sulphides, especially molybdenite, have been smeared along fault planes. Shear zones are wider and more numerous in the north half of the pit, where they control bench limits.

Hydrothermal alteration at the Brenda deposit generally is confined to narrow envelopes bordering veins. These alteration envelopes commonly grade outward into unaltered or weakly propylitic-altered rock. Where veins are closely spaced, alteration envelopes on adjacent veins may coalesce to produce local areas of pervasive alteration. For the most part, hydrothermal alteration at the Brenda deposit is exceptionally weak for a porphyry copper system.

Four types of alteration are recognized in the Brenda deposit, three of which are related to the mineralizing process. Two of these are potassic (potassium feldspar) and biotite, and the other is propylitic. Later argillic alteration has been superimposed on the system along post-mineral faults.

Potassium feldspar and biotite alteration generally are separated in space, but locally occur together. Both types of alteration accompanied sulphide deposition. Potassium feldspar replaces plagioclase adjacent to most stage 2 and, to a lesser extent, stage 3 veins. These irregular envelopes range in width from a centimetre or less up to a metre, with an average of about 2 centimetres. Potassium feldspar also occurs as a minor constituent of stage 1 veins.

Hydrothermal biotite replaces magmatic mafic minerals (hornblende, biotite) and, more rarely, plagioclase in hostrock adjacent to stage 2 and especially stage 3 veins. These envelopes of hydrothermal biotite range in width from less than 1 millimetre to several centimetres.

Weak to intense propylitic alteration, which is characterized by the development of chlorite and epidote, as well as less obvious microscopic sericite and carbonate, is sporadically distributed throughout the Brenda stock. Large areas within the orebody have not been propylitized and in these areas, veins with potassic alteration envelopes clearly cut across propylitized quartz diorite, indicating an early hydrothermal or even a pre-ore origin for the propylitization (Canadian Institute of Mining and Metallurgy Special Volume 15). A second period of propylitization accompanied the development of stage 4 veins and is reflected as envelopes of epidote and chlorite.

Geology: Area *(cont'd)*

BRENDA *past producer (cont'd)*

Locally intense argillic alteration is confined to post-mineral fault zones where the hostrock has been highly shattered. Kaolinite, sericite and epidote have almost completely replaced the host rocks.

Secondary surface weathering, which is expressed predominantly by the development of limonite, extends as a highly irregular blanket over the mineralized zone for depths ranging from a few metres to greater than 30 metres. In this weathered area, limonite stains all fractures. Fault zones have been especially susceptible to surface weathering, and the argillic alteration of these zones may be primarily the result of groundwater action. Minerals developed during weathering, all highly subordinate in quantity to limonite, include malachite, azurite, hematite, ferrimolybdite, powellite and cupriferous manganese oxides. Cuprite, covellite, chalcopyrite, native copper, tenorite and ilmenite are rare constituents.

HN-WEN prospect (Volcanic redbed Cu)
MINFILE 092HNE058
16 km southwest

The HN-WEN occurrence is hosted in the Upper Triassic Nicola Group, which regionally consists of alkalic and calcalkalic volcanics and intrusions of island arc origin, and which is the principal component of the Quesnel Terrane in southern British Columbia (Geological Survey of Canada Maps 41-1989, 1713A). This belt has been of major economic interest because of its potential for porphyry copper-gold mineralization.

The occurrence lies in the northern assemblage of the Eastern belt of the Nicola Group (after Preto, Bulletin 69). This assemblage mainly consists of well-bedded submarine volcaniclastic rocks and volcanic flows. The main Aspen Grove copper camp lies several kilometres to the west in the Central belt, separated by the north-striking Kentucky-Alleyne fault system (Bulletin 69).

The area of the occurrence is underlain by augite porphyritic volcanic flows of andesitic to basaltic composition, fragmental rocks including tuff and breccia, and argillites (Assessment Reports 1586, 4230). The argillites are dark grey to black, well bedded, and locally limy. They are somewhat carbonaceous and pyritic. Minor rock types present include feldspar porphyry and locally lenses of diorite. About 2.5 kilometres to the northeast is the contact with the Early Jurassic Pennask batholith, a large intrusion of medium-grained granodiorite to quartz diorite.

The contact between the volcanic rocks and the argillites passes through the centre of the mineralized area. The contact is parallel to bedding, striking 130 degrees and dipping 40 degrees southwest, with the volcanic rocks on the northeast side (Assessment Report 4230).

ECHO showing (Volcanic redbed Cu)
MINFILE 092HNE059
16 km west southwest

Geology: Area (cont'd)

The Echo occurrence is hosted in the Upper Triassic Nicola Group, which regionally consists of alkalic and calcalkalic volcanics and intrusions of island arc origin, and which is the principal component of the Quesnel Terrane in southern British Columbia (Geological Survey of Canada Maps 41-1989, 1713A). This belt has been of major economic interest because of its potential for porphyry copper-gold mineralization. The occurrence lies in the northern assemblage of the Eastern belt of the Nicola Group (after Preto, Bulletin 69). This assemblage mainly consists of well-bedded submarine volcaniclastic rocks and volcanic flows. The main Aspen Grove copper camp lies several kilometres to the west in the Central belt, separated by the north-striking Kentucky-Alleyne fault system (Bulletin 69).

The area of the occurrence is underlain by augite porphyritic volcanic flows of andesitic to basaltic composition, and volcanic tuff and breccia (Assessment Report 1586; Geological Survey of Canada Map 41-1989). The volcanics may be affected by low grade propylitic and chloritic alteration. Less than 1 kilometre to the north of the occurrence is the east-striking contact of the Early Jurassic Pennask batholith, a large intrusion of medium-grained granodiorite to quartz diorite.

TOE prospect (Volcanic redbed Cu; Alkalic porphyry Cu-Au)
MINFILE 092HNE060
10 km southwest

The Toe occurrence consists of minor copper mineralization located sporadically in the area between Paradise and Boot lakes, 21 kilometres northeast of the community of Missezula Lake. This area lies 18 kilometres east of the historical Aspen Grove copper camp, between Merritt and Princeton.

The Toe occurrence is hosted in the Upper Triassic Nicola Group, which regionally consists of alkalic and calcalkalic volcanics and intrusions of island arc origin, and which is the principal component of the Quesnel Terrane in southern British Columbia (Geological Survey of Canada Maps 41-1989, 1713A). This belt has been of major economic interest because of its potential for porphyry copper-gold mineralization.

The occurrence lies in the Eastern belt or facies of the Nicola Group, which is characterized by submarine volcaniclastic rocks and volcanic flows (Bulletin 69; Geological Survey of Canada Map 41-1989). Exposure is limited in the Paradise and Boot lakes area (mainly on the Toe 27-29, 51, 54, 55 claims), which is underlain by augite porphyritic volcanic flows of andesitic to basaltic composition, fragmental rocks including tuff and breccia, minor argillite and diorite (Assessment Reports 1049, 1586).

The Nicola rocks in this area form a northeasterly-closing embayment largely surrounded by the Early Jurassic Pennask batholith, a large intrusion of medium-grained granodiorite to quartz diorite (Geological Survey of Canada Map 41-1989). The contact of the batholith passes through the northwestern part of the Toe claims. The diorite bodies in the volcanics may be related to this intrusion.

The volcanics have been contact metamorphosed and hydrothermally altered by the intrusive activity, resulting in the formation of "metadiorite" locally (Assessment Report 1586). These altered rocks locally contain significant disseminated magnetite and/or pyrite, with minor chalcopyrite in places.

Geology: Area (cont'd)

BREW showing (Alkalic porphyry Cu-Au; Subvolcanic Cu-Ag-Au; As-Sb)
MINFILE 092HNE275
12 km south southwest

This occurrence is hosted in volcanics and minor sediments of the Upper Triassic Nicola Group, 2.6 kilometres northwest of the Middle Jurassic Osprey Lake batholith. The volcanics consist primarily of andesite and fine-grained diorite. The contact between the two units is gradational, suggesting the diorite may be a subvolcanic equivalent of the andesite. Minor tuffs, lapilli tuffs, agglomerates, and feldspar porphyritic andesite are also present. The sediments consist of mudstone, siltstone, shale, and rare carbonate, intercalated with the pyroclastic units.

A major fault zone, the Brew fault, striking 140 degrees and dipping steeply southwest, is exposed along the Coquihalla Highway for 600 metres.

The zone is approximately 40 metres wide. It is somewhat gossanous and exhibits carbonate and clay alteration and sporadic silicification. Some quartz +/- calcite stringers and blebs are present but not common. Pyrite is ubiquitous along the entire fault. Sections of the zone are strongly mineralized with massive veins, narrow stringers and occasional disseminations of marcasite, pyrite and pyrrhotite. Samples of pyritic clay-altered sections have yielded up to 0.280 gram per tonne gold and 0.445 per cent arsenic (Assessment Report, 18041, page 8, samples 128665, 44719)

A sample from a zone of quartz stringers analysed 0.600 gram per tonne gold (sample 239716).

This fault is traversed by several significant fault/shear zones striking 100 to 120 degrees. One major crossfault, the Mugwump fault, is exposed west of the Brew fault, striking 100 degrees and dipping 60 degrees south.

SNOW showing (Polymetallic veins Ag-Pb-Zn+/-Au)
MINFILE 092HNE292
Six km west

A drillhole intersected minor copper mineralization in weakly to moderately chloritized granite of the Early Jurassic Pennask batholith

KING 6, KING showing (Intrusion-related Au pyrrhotite veins; Polymetallic veins Ag-Pb-Zn+/-Au)
MINFILE 092HNE297
11 km south

A drusy quartz vein, 10 centimetres wide, cuts coarse-grained, feldspar megacrystic granite of the Middle Jurassic Osprey Lake batholith.

KING 8, KING showing (Intrusion-related Au pyrrhotite veins; Polymetallic veins Ag-Pb-Zn+/-Au)
MINFILE 092HNE298
12 km south southwest

A shear zone, 70 centimetres wide, cuts coarse-grained, phyllic (sericitic (?))-altered granite of the Middle Jurassic Osprey Lake batholith, near an andesitic dike. The showing is approximately 100 metres south of the contact with andesitic ash and lapilli tuff of the Upper Triassic Whistle Creek Formation (Nicola Group).

Geology: Area (cont'd)

KING, KING 8 showing (Intrusion-related Au pyrrhotite veins; Polymetallic veins Ag-Pb-Zn+/-Au)
MINFILE 092HNE299
12 km south southwest

A quartz vein, 1 centimetre wide, cuts bleached, pyritic andesitic ash tuff of the Upper Triassic Whistle Creek Formation (Nicola Group).

GEOLOGY: PROPERTY

As indicated by the BC government supported MapPlace geological maps, the Property primarily covers portions of a contact northwesterly contact between the Pennask batholith (LTrJgd) in the north, west, and east (Figure 4) with an embayment of the Upper Triassic eastern belt of Nicola volcanics (UTrNE)

The directional trend of the contacts which are, northerly, northeasterly, and northwesterly, appear similar to the trend as determined from the Structural Analysis of Tenure 589954 indicating that the structural forming forces were in place prior to the intrusive and continuing post intrusive.

MINERALIZATION: AREA

The mineralization on some of the more significant mineral MINFILE reported showings, prospects, and past producers on the Property and peripheral to the Property (Figure 4) are reported as follows

MAL prospect (Cu skarn; Fe skarn; Au skarn)
MINFILE 092HNE002
17 km west south-west

Copper mineralization is concentrated in the skarn zones. Pyrite and subordinate magnetite and chalcopyrite are associated with quartz-calcite veins, or are disseminated in variable amounts (Assessment Report 1586). Chalcocite and malachite are also present at the main showing (Assessment Report 8453). Finely disseminated pyrite is common in most rocks, particularly the argillaceous rocks (Assessment Reports 1718, 9590). A zone of massive, medium-grained pyrite between 1 and 13 metres thick, in altered volcanic rocks, has been found below the surface by diamond drilling; the paragenesis is epidote, magnetite, pyrite (Assessment Report 9590).

Copper values appear to be erratic. In early diamond drilling, the best result reported is 1.62 per cent copper over 6 metres; this section contained at least 50 per cent magnetite (Assessment Report 449, page 6). More recent diamond drilling has resulted in generally low metal values, although one split core sample assayed 0.37 per cent copper and 6.8 grams per tonne silver (Assessment Report 9590). A grab sample from the main trenched and drilled area assayed 0.34 gram per tonne gold, 3.4 grams per tonne silver, and 0.2 per cent copper (Assessment Report 8453).

The high magnetite and pyrite content of the rocks at this occurrence is reflected in significant magnetic and induced polarization anomalies, respectively, over the mineralized zones (Assessment Reports 1586, 8453).

MINERALIZATION: AREA (cont'd)

BRENDA past producer (Porphyry Cu +/- Mo +/- Au)
MINFILE 092HNE047
17 km southeast

The Brenda orebody is part of a belt of copper-molybdenum mineralization that extends north-northeast from the Nicola Group-Brenda stock contact. Mineralization of economic grade (0.3 per cent copper equivalent) is confined to a somewhat irregular zone approximately 720 metres long and 360 metres wide. Ore-grade mineralization extends more that 300 metres below the original surface. Lateral boundaries of ore-grade mineralization are gradational and appear to be nearly vertical. Primary mineralization is confined almost entirely to veins, except in altered dike rocks and in local areas of intense hydrothermal alteration which may contain minor disseminations.

The grade of the orebody is a function of fracture (vein) density and of the thickness and mineralogy of the filling material. The average total sulphide content within the orebody is 1 per cent or less. Chalcopyrite and molybdenite, the principal sulphides, generally are accompanied by minor, but variable, quantities of pyrite and magnetite. Bornite, specular hematite, sphalerite and galena are rare constituents of the ore. Johnson (1973), in a study of 17 samples from the deposit, reported minor pyrrhotite, mackinawite, carrollite, cubanite, ilmenite, rutile and native gold(?), as well as several secondary sulphides (Canadian Institute of Mining and Metallurgy Special Volume 15). Pyrite is most abundant in altered andesite dikes and in quartz-molybdenite veins. The ratio of pyrite to chalcopyrite in the orebody is about 1:10, with the chalcopyrite content diminishing beyond the ore boundaries.

Because mineralization is confined almost entirely to veins in relatively fresh homogeneous rock, the veins are divided into separate stages, based on crosscutting relations and their mineralogy and alteration effects on the hostrock. The vein density within the orebody is not uniform. Ranges are recorded from less than 9 per metre near the periphery of the orebody to 63 per metre and occasionally 90 per metre near the centre of the orebody. Some veins have very sharp contacts with wallrocks, but most contacts are irregular in detail where gangue and sulphide minerals replace the wallrock. A vein may show features characteristic of fracture- filling in one part and of replacement in another. Mineralized solutions were introduced into fractures and, during development of the resultant veins, minor replacement of the wallrock ensued.

The chronological stages of mineralization are as follows: (1) biotite-chalcopyrite (oldest); (2) quartz-potassium feldspar-sulphide; (3) quartz-molybdenite-pyrite; (4) epidote-sulphide-magnetite; and (5) biotite, calcite and quartz. Stages 1 through 4 are all genetically related to a single mineralizing episode, which was responsible for the orebody. Stage 5 represents a later, probably unrelated, event(s) (Canadian Institute of Mining and Metallurgy Special Volume 15). Stage 2 veins form the bulk of the mineralization in the deposit, and are the most important source of ore.

Copper-molybdenum mineralization in the Brenda deposit was developed during several sequential stages, all of which constitute one mineralizing episode. Each stage occupies unique sets of fractures, which are filled with specific combinations of metallic and gangue minerals. Although the attitudes of veins in each stage are unique in detail, most stages include conjugate steeply dipping sets of northeast and northwest striking veins.

MINERALIZATION: AREA (cont'd)

***BRENDA** past producer (cont'd)*

If these veins occupy shear fractures, it is probable that they were formed by generally east-west compressive forces. Examination of the structure in the Nicola Group rocks to the west reveals that north-northwest and north trending fold axes also indicate an east-west compression. It is suggested that intermittent east-west compressional forces intensely fractured the rocks of the Brenda stock during several stages of time and tapped a hydrothermal source, either a later phase of the Brenda stock or a separate intrusive system. As each stage of fractures developed, hydrothermal fluids introduced vein material which healed the fractures. Renewed build-up of compressional forces again fractured the rocks, which were again healed. Repetition of this sequence can explain all stages of mineralization within the Brenda deposit. East-west compression continued after ore deposition ceased and produced prominent east-northeast and northwest striking shear zones (Canadian Institute of Mining and Metallurgy Special Volume 15).

HN-WEN prospect (Volcanic redbed Cu)
MINFILE 092HNE058
16 km southwest

The mineralization is restricted to the volcanics. It is exposed in 3 adits and at least 8 trenches, and is marked by alteration, mainly epidotization, silicification, carbonatization, moderate chloritization and local pyritization. Chalcopyrite is the only copper mineral: it is disseminated, or concentrated in quartz and calcite veins and veinlets between 0.3 and 30 centimetres thick, usually about 8 centimetres thick. Pyrite, pyrrhotite and rare specular hematite are also present in the veins. Locally oxidation has produced abundant malachite, azurite and limonite.

The mineralized zone measures 760 by 90 metres and has a depth of about 75 metres. Diamond drilling indicates that it strikes 160 degrees and dips vertically or steeply east, so it is not parallel to the volcanic-sedimentary contact, indicating that the contact is not the controlling factor. Rather, the veins hosting the mineralization are structurally controlled by numerous faults and fractures which consistently strike 160 degrees and dip 85 degrees east (Assessment Report 4230). Incidentally, the Echo occurrence (092HNE059) lies on this trend, 2 kilometres to the north-northwest, and the mineralization may also extend south-southeast of the HN-WEN occurrence (Assessment Report 4230).

Some significant copper and silver values have been obtained from the workings and diamond drill core. A 1.5-metre chip sample from Adit Number 1 was assayed at 4.39 per cent copper, 92.6 grams per tonne silver, and 0.7 gram per tonne gold (Assessment Report 4230). A grab sample from here was assayed at 4.84 per cent copper, 46.6 grams per tonne silver and 0.7 gram per tonne gold (Assessment Report 4230). Both samples were from oxidized material and may not be representative of grade throughout the deposit (Assessment Report 4230). A drill core sample (hole HNS 72-1) assayed 1.12 per cent copper and 3.4 grams per tonne silver (Assessment Report 4230).

The average grade of the whole deposit has been estimated at 0.08 per cent copper, with a generally low gold and silver content (Assessment Report 4230).

MINERALIZATION: AREA (cont'd)

ECHO showing (Volcanic redbed Cu)
MINFILE 092HNE059
16 km west southwest

Chalcopyrite and malachite are present in trenches and opencuts in volcanics over an area 1000 by 800 metres. Chalcopyrite is disseminated, or concentrated in quartz-calcite veins (Assessment Report 1586). The Echo occurrence lies directly along the strike of prominent fractures which host significant copper-silver mineralization at the HN-WEN occurrence (092HNE058), 2 kilometres to the south-southeast (Assessment Report 4230).

TOE prospect (Volcanic redbed Cu; Alkalic porphyry Cu-Au)
MINFILE 092HNE060
10 km southwest

A major copper soil anomaly occurs within the Toe claim group, measuring 3500 by 900 metres; a mercury anomaly is associated (Assessment Reports 1049, 1586). The highest soil anomaly was 0.07 per cent copper (Assessment Report 1586).

BREW showing (Alkalic porphyry Cu-Au; Subvolcanic Cu-Ag-Au; As-Sb)
MINFILE 092HNE275
12 km south southwest

The zone has been traced on surface for 400 metres and is 30 to 40 centimetres wide. It is comprised of strongly gossanous clay and fault gouge containing 1 to 2 per cent pyrite. Quartz and quartz-calcite stringers and quartz blebs occur sporadically throughout the zone. A sample of quartz vein material yielded 0.14 gram per tonne gold and 14.4 grams per tonne silver (Assessment Report, 18041, page 8, sample 239774).

SNOW showing (Polymetallic veins Ag-Pb-Zn+/-Au)
MINFILE 092HNE292
Six km west

A sample of drill core from 28.0 metres depth contained fine-grained magnetite accompanied by fine-grained chalcocite or bornite along the margins of a zeolite vein. Copper mineralization also occurs along fractures and as disseminations in the granite. Two assays of a grab sample taken in the vicinity of the drillhole yielded less than 0.3 gram per tonne gold, 3.1 grams per tonne silver and 0.54 per cent copper, and 0.45 gram per tonne gold, 3.1 grams per tonne silver and 0.30 per cent copper, respectively (Assessment Report 3415, assay certificates).

KING 6, KING showing (Intrusion-related Au pyrrhotite veins; Polymetallic veins Ag-Pb-Zn+/-Au)
MINFILE 092HNE297
11 km south

The vein is mineralized with scattered blebs of chalcopyrite. A selected sample analysed 0.41 gram per tonne gold and 7.8 grams per tonne silver (Assessment Report 21922, page 9, Table 2, sample Q1b-R3).

MINERALIZATION: AREA (cont'd)

KING 8, KING showing (Intrusion-related Au pyrrhotite veins; Polymetallic veins Ag-Pb-Zn+/-Au)
MINFILE 092HNE298
12 km south southwest

A pyritic quartz-calcite vein/breccia is associated with the shear zone. A series of selected chips from the vein yielded 0.44 gram per tonne gold and 10.6 grams per tonne silver (Assessment Report 21922, page 9, Table 2, sample Q17-R2A).

KING, KING 8 showing (Intrusion-related Au pyrrhotite veins; Polymetallic veins Ag-Pb-Zn+/-Au)
MINFILE 092HNE299
12 km south southwest

A sample of selected chips analysed 0.68 gram per tonne gold (Assessment Report 21922, page 9, Table 2, sample L89-R1D).

2009 STRUCTURAL ANALYSIS

Orthophoto maps obtained from MapPlace were utilized as the base map for the Structural analysis. The analysis on Tenures 589954 was accomplished using a stereographic projection viewing of the maps and marking the lineaments on an overlay. A total of 121 lineaments were marked (Figure 5), compiled into a 10 degree class interval, and plotted on a rose diagram (Figure 6).

Figure 5. **Indicated Structures on Tenure 589954**

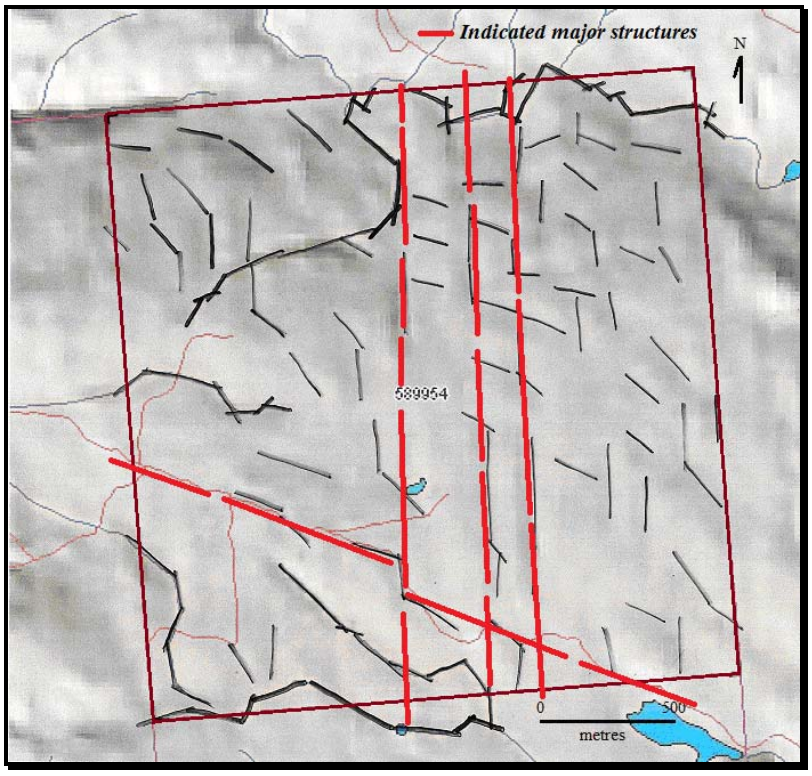
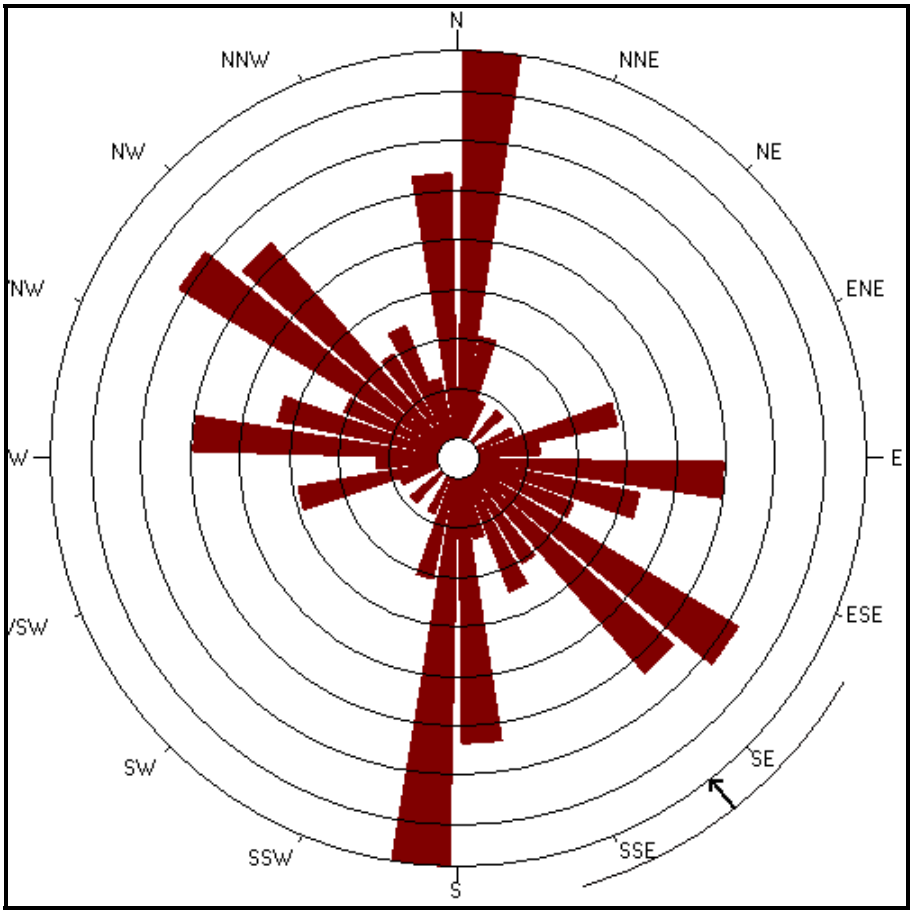


Figure 6. **Rose Diagram of indicated Figure 5 structures**



Axial (non-polar) data

No. of Data = 121

Sector angle = 10°

Scale: tick interval = 2% [2.4 data]

Maximum = 15.7% [19 data]

Mean Resultant dir'n = 142-322

[Approx. 95% Confidence interval = ±21.8°]

(valid only for unimodal data)

INTERPRETATION

The major structure on Tenure 589954 is indicated as a combination of three prime northerly trending structures over a 400 metre width that suggests a regional shear zone or graben related structural zone within the granodioritic Pennask batholith. Composite prime northwesterly trending structures and strong indicators of associated northeasterly trending structures are related to the strain ellipsoid of a lateral movement of the major northerly structure.

The major structure could localize the emplacement of later phases of the granodiorite intrusive as “stocks” or gradational varieties of the granodiorite, that may surficially reveal associated potentially economic sub-surface mineralization which could be indicated within the major structure, associated structures, or distant fractures, dependent on the time related basis.

An example of these fault related mineral indicators in the immediate area is at the Brew showing (see Minfile 092HNE275 in text) 12 kilometres southwest, where a 40 metre wide northwest striking fault within the Nicola volcanics hosts sections of strongly mineralized massive veins, narrow stringers and occasional disseminations of marcasite, pyrite and pyrrhotite and samples of pyritic clay-altered sections that have yielded up to 0.280 gram per tonne gold and 0.445 per cent arsenic. The mineralization, plausibly, originates from an intrusive.

An example of mineralization hosted by a stock or gradational sequence of the Pennask batholith is at the Brenda copper-molybdenum deposit (see MINFILE 092HNE047 in text) 17 km southwest, where the "Brenda stock", a composite quartz diorite/granodiorite body which forms part of the Pennask batholith. The Brenda mine, which began production in early 1970 from a measured geological (proven) reserve of 160,556,700 tonnes grading 0.183 per cent copper and 0.049 per cent molybdenum, was officially closed in 1990.

Faults in the Brenda pit are expressed as fracture zones in which the rock is intensely altered to clay minerals, sericite, epidote and chlorite. These fracture zones range in width from a few centimetres to nine metres. Most strike 070 degrees and dip steeply south. Northwest-striking faults exhibit left-lateral movement. The deposit is approximately 390 metres from the contact with Nicola Group rocks to the west. Nicola Group tuffs, volcanic breccias and flows adjacent to the Brenda stock have been altered to "schistose hornfels" as wide as 450 metres.

RECOMMENDATIONS

A general exploration program of prospecting, geological mapping and sampling covering the major structure with emphasis on the cross structural areas should be completed. The exploration program should be focused on not only general geological aspects and/or primary mineralization but on the recognition of intrusive differentiation, indicator minerals, and alteration patterns.

Respectfully submitted
Sookochoff Consultants Inc.

Laurence Sookochoff, P.Eng.

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STATEMENT OF COSTS

Structural Analysis

Laurence Sookochoff, P.Eng.

November 1-4, 2009: 3 days time @ $750. ----------	$ 2,250.00
Report ----------	5,000.00
	$ 7,250.00
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CERTIFICATE

I, Laurence Sookochoff, of the City of Vancouver, in the Province of British Columbia, do hereby certify:

That I am a Consulting Geologist and principal of Sookochoff Consultants Inc. with an address at 120 125A-1030 Denman Street, Vancouver, BC V6G 2M6.

I, Laurence Sookochoff, further certify that:

1) I am a graduate of the University of British Columbia (1966) and hold a B.Sc. degree in Geology.

2) I have been practicing my profession for the past forty-three years.

3) I am registered and in good standing with the Association of Professional Engineers and Geoscientists of British Columbia.

4) The information for this report is based on the structural analysis as reported on herein, from information as itemized in the Selected Reference section of this report, and from work the author has performed on the Toni Property since 2006.

5) I have no interest in the Toni Property claim as described herein.

6) I am a director of Victory Resources Corporation.

Laurence Sookochoff, P. Eng.