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A REVIEW OF HISTORICAL DATA ON EL TORO CLAIMS
OF FARSHAD SHIRVANI, 093L/5, 6, 11, TELKWA, B.C.

Prepared for Farshad Shirvani by
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1. SUMMARY

- A review of historical data related to El Toro claim block south of Telkwa, British Columbia showed that the area contains over 40 significant polymetallic Au, Ag vein deposits, four of which previously produced. Several significant past producing vein deposits occur in the Smithers Map-Area.
- The potential for discovery of an economic deposit of this type, that would require underground mining, is rated at only Moderate, due to the narrow widths, short and discontinuous lengths, and inconsistent grades of known deposits.
- The potential for discovery of an economic porphyry-type Mo or Cu, Mo deposit is rated High. Whereas only two modest porphyry-type occurrences are known at El Toro, several significant porphyry Cu and Mo deposits occur in the immediate area, plutons of the porphyry-related Nanika and Bulkley Suites are abundant in the claims, and mineralized granitoid dykes are probably genetically related to the plutons.
- The recommended optimum method to explore this extensive and rugged area is a helicopter magnetic-radiometric-VLF-EM airborne survey, flown over north-south lines spaced at 50 m. This should reveal buried porphyry plutons and related mineral deposits, also vein, shear zone, skarn and stockwork deposits. Anomalies should be followed up with prospecting recce mapping sampling, grid geochemistry and geophysics as required, trenching and drilling.
- The budget for the above program is estimated to be \$649,800.

2. INTRODUCTION

In early 2006, Farshad Shirvani staked an irregularly shaped claim block, El Toro group that covered some 40 showings, prospects, deposits and past producers located south and southwest of Telkwa, British Columbia. The Smithers Map- Area contains several past producer and significant vein deposits that include Silver Queen, Equity Silver, Cronin, Dome Mountain, Victory and Bob Creek. In addition, porphyry deposits in the area include the past producing Granisle porphyry Cu, Au district, Serb Creek Mo, Blue Pearl Mo(W) (Glacier Gulch), Big Onion CuMo, and Lucky Ship Mo.

The writer was asked to review the published historical data, evaluate the potential for an economic deposit or deposits from several types present, and recommend an exploration program.

3. LOCATION

The centre of El Toro claim block is 30 km southwest of Telkwa, in central B.C. It is underlain by mainly rugged topography in the Telkwa range of the Hazelton Mountains. Elevations range from 2340 m A.S.L. at the peaks to 600 m A.S.L. in the Bulkley Valley. About one-third of the claim area is above tree line.

The claim block is plotted on a 1:250 K topo base in Figure 1.

4. CLAIMS

El Toro block comprises the following claim tenure numbers. The claim block is shown in Figure 1.

Tenure Number	Tenure Type	Claim Name	Owner	Map Number	Good To Date	Status	Mining Division Area
525417	Mineral	BULL	147352 (100%)	093L	2007/JAN/14	GOOD	450.474
525440	Mineral	THE HOOF	147352 (100%)	093L	2007/JAN/14	GOOD	75.369
528995	Mineral	TORO 1	147352 (100%)	093L	2007/FEB/27	GOOD	469.114
528997	Mineral	TORO 2	147352 (100%)	093L	2007/FEB/27	GOOD	450.528
528998	Mineral	TORO 3	147352 (100%)	093L	2007/FEB/27	GOOD	450.705
529782	Mineral	R EYE	147352 (100%)	093L	2007/MAR/09	GOOD	225.25
530549	Mineral	THE DEL	147352 (100%)	093L	2007/MAR/26	GOOD	94.194
530550	Mineral	R HOOF	147352 (100%)	093L	2007/MAR/26	GOOD	56.522
533685	Mineral	EL TORO 1	147352 (100%)	093L	2007/MAY/08	GOOD	469.425
533686	Mineral	EL TORO 2	147352 (100%)	093L	2007/MAY/08	GOOD	469.141
533687	Mineral	EL TORO 3	147352 (100%)	093L	2007/MAY/08	GOOD	469.71
533688	Mineral	EL TORO 4	147352 (100%)	093L	2007/MAY/08	GOOD	469.652
533689	Mineral	EL TORO	147352 (100%)	093L	2007/MAY/08	GOOD	469.94
533690	Mineral	EL TORO 5	147352 (100%)	093L	2007/MAY/08	GOOD	469.969
533691	Mineral	EL TORO 6	147352 (100%)	093L	2007/MAY/08	GOOD	469.912
533692	Mineral	EL TORO 7	147352 (100%)	093L	2007/MAY/08	GOOD	469.001
533693	Mineral	EL TORO 8	147352 (100%)	093L	2007/MAY/08	GOOD	469.138
533694	Mineral	EL TORO 9	147352 (100%)	093L	2007/MAY/08	GOOD	469.362
533695	Mineral	EL TORO 10	147352 (100%)	093L	2007/MAY/08	GOOD	469.488
533696	Mineral	EL TORO 11	147352 (100%)	093L	2007/MAY/08	GOOD	469.595
533697	Mineral	EL TORO 12	147352 (100%)	093L	2007/MAY/08	GOOD	469.692
533698	Mineral	EL TORO	147352 (100%)	093L	2007/MAY/08	GOOD	469.74
533699	Mineral	EL TORO 14	147352 (100%)	093L	2007/MAY/08	GOOD	469.935
533700	Mineral	EL TORO 15	147352 (100%)	093L	2007/MAY/08	GOOD	451.112
533701	Mineral	EL TORO 16	147352 (100%)	093L	2007/MAY/08	GOOD	470.101
533702	Mineral	EL TORO 17	147352 (100%)	093L	2007/MAY/08	GOOD	470.234
533703	Mineral	EL TORO18	147352 (100%)	093L	2007/MAY/08	GOOD	470.126
533704	Mineral	EL TORO 19	147352 (100%)	093L	2007/MAY/08	GOOD	470.339
533705	Mineral	EL TORO 20	147352 (100%)	093L	2007/MAY/08	GOOD	470.364
533706	Mineral	EL TOR 21	147352 (100%)	093L	2007/MAY/08	GOOD	471.082

533707	Mineral	EL TORO 22	147352 (100%) 093L	2007/MAY/08	GOOD	471.105
533708	Mineral	EL TORO 23	147352 (100%) 093L	2007/MAY/08	GOOD	470.725
533709	Mineral	EL TORO 24	147352 (100%) 093L	2007/MAY/08	GOOD	470.855
533710	Mineral	EL TORO 24	147352 (100%) 093L	2007/MAY/08	GOOD	470.54
533711	Mineral	EL TORO 26	147352 (100%) 093L	2007/MAY/08	GOOD	451.763
533712	Mineral	EL TORO 27	147352 (100%) 093L	2007/MAY/08	GOOD	470.316
533713	Mineral	EL TORO 26	147352 (100%) 093L	2007/MAY/08	GOOD	470.471
533714	Mineral	EL TORO 29	147352 (100%) 093L	2007/MAY/08	GOOD	470.306
533716	Mineral	EL TORO 29	147352 (100%) 093L	2007/MAY/08	GOOD	470.374
533717	Mineral	EL TORO 30	147352 (100%) 093L	2007/MAY/08	GOOD	470.086
533718	Mineral	EL TORO 31	147352 (100%) 093L	2007/MAY/08	GOOD	470.422
533719	Mineral	EL TORO 31	147352 (100%) 093L	2007/MAY/08	GOOD	470.522
533720	Mineral	EL TORO 25	147352 (100%) 093L	2007/MAY/08	GOOD	469.889
533721	Mineral	EL TORO 26	147352 (100%) 093L	2007/MAY/08	GOOD	469.758
533722	Mineral	EL TORO 33	147352 (100%) 093L	2007/MAY/08	GOOD	460.892
533723	Mineral	EL TORO 36	147352 (100%) 093L	2007/MAY/08	GOOD	469.62
533725	Mineral	EL TORO 37	147352 (100%) 093L	2007/MAY/08	GOOD	469.858
533726	Mineral	EL TORO	147352 (100%) 093L	2007/MAY/08	GOOD	469.678
533728	Mineral	EL TORO 39	147352 (100%) 093L	2007/MAY/08	GOOD	460.943
533729	Mineral	EL TORO 40	147352 (100%) 093L	2007/MAY/08	GOOD	469.89
533730	Mineral	EL TOR 41	147352 (100%) 093L	2007/MAY/08	GOOD	470.565
533731	Mineral	EL TORO	147352 (100%) 093L	2007/MAY/08	GOOD	470.723
533732	Mineral	EL TORO 42	147352 (100%) 093L	2007/MAY/08	GOOD	470.203
533733	Mineral	EL TORO 43	147352 (100%) 093L	2007/MAY/08	GOOD	367.45
533734	Mineral	EL TORO 44	147352 (100%) 093L	2007/MAY/08	GOOD	470.655
533736	Mineral	EL TORO 46	147352 (100%) 093L	2007/MAY/08	GOOD	470.155
533737	Mineral	EL TORO 45	147352 (100%) 093L	2007/MAY/08	GOOD	470.16
533739	Mineral	EL TORO 47	147352 (100%) 093L	2007/MAY/08	GOOD	470.126
533740	Mineral	EL TORO 48	147352 (100%) 093L	2007/MAY/08	GOOD	470.093
533741	Mineral	EL TORO 50	147352 (100%) 093L	2007/MAY/08	GOOD	470.288
533742	Mineral	EL TORO 51	147352 (100%) 093L	2007/MAY/08	GOOD	470.755
533743	Mineral	EL TORO 52	147352 (100%) 093L	2007/MAY/08	GOOD	469.83
533744	Mineral	EL TORO 53	147352 (100%) 093L	2007/MAY/08	GOOD	470.511
533745	Mineral	RIGHT HORN	147352 (100%) 093L	2007/MAY/08	GOOD	56.261
533746	Mineral	EL TORO 54	147352 (100%) 093L	2007/MAY/08	GOOD	470.265
533747	Mineral	THE HORN	147352 (100%) 093L	2007/MAY/08	GOOD	56.261
533763	Mineral	EL TORO 55	147352 (100%) 093L	2007/MAY/08	GOOD	319.9

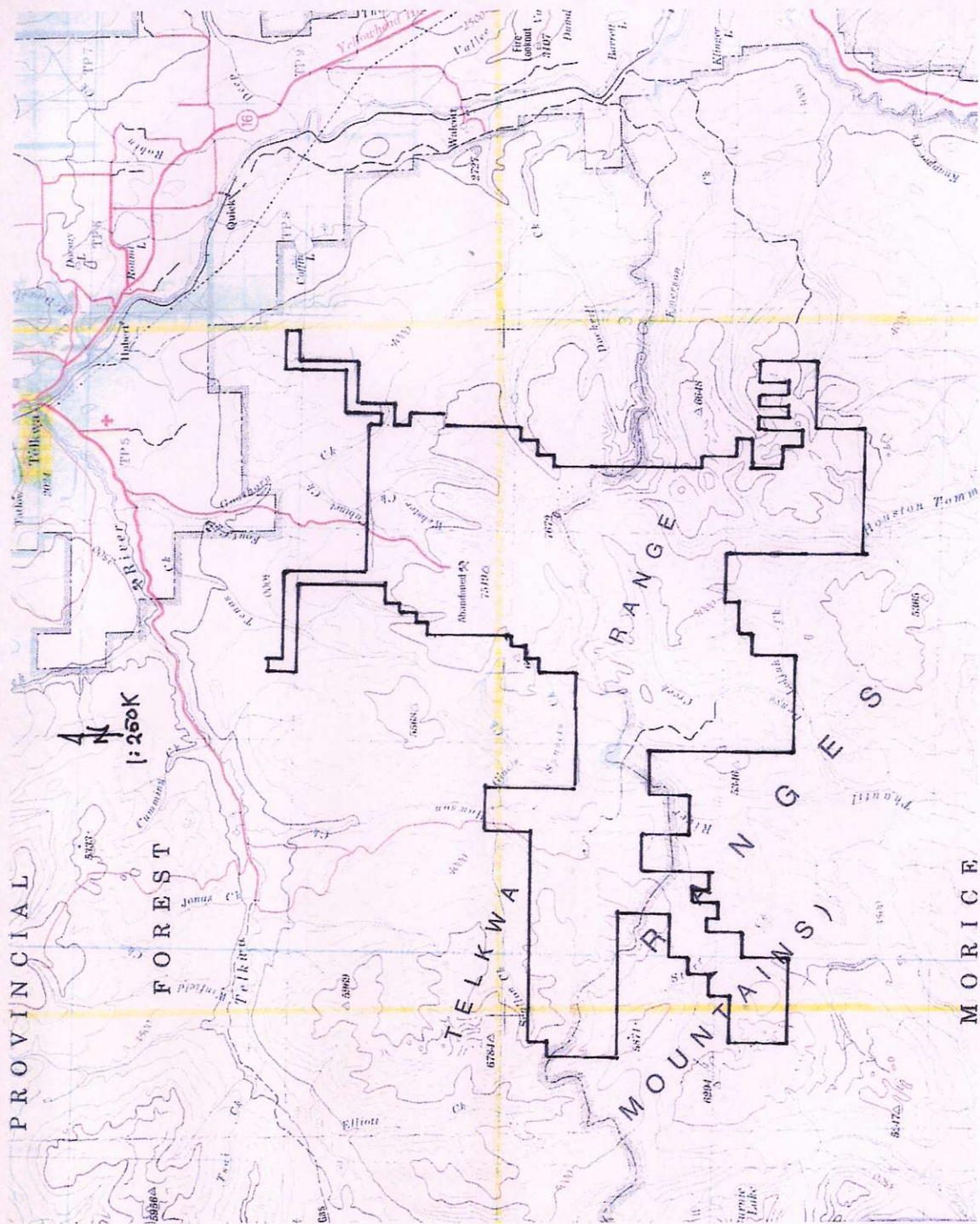


FIGURE 1 Location of El Toro claim block, Telkwa, B.C.

5. GEOLOGY

The area is underlain by dominantly arc volcanic rocks of the Stikine terrane. Oldest rocks locally are the intermediate to mafic marine volcanics and sediments of the Upper Triassic and Lower Jurassic Takla Group. Rocks of the overlying Middle and Upper Jurassic Hazelton Group include the Lower Jurassic Telkwa Formation, the host to most mineral occurrences in the claim block. Geology and mineral deposits are shown on Figure 2, after MINFILE Mineral Occurrence Map 093L. Subaerial andesitic to dacitic crystal and lithic tuffs predominate over rhyolitic flows, breccia and vesicular basalt. The Telkwa Formation is overlain by the Middle Jurassic Smithers and Ashman formations comprising marine shale, greywacke, breccia, tuff and conglomerate, and by the Upper Cretaceous Red Rose Formation comprising shale, greywacke, conglomerate and coal.

Intrusive rocks of three plutonic suites intrude the host Telkwa volcanics in and adjacent to El Toro claims. Oldest intrusions are the mainly Early Jurassic Franciscan Intrusions (formerly Topley Intrusions) of quartz monzonite and granodiorite stocks arrayed in a northeast-trending belt that intersects the southern part of El Toro claims. Small equant stocks and bosses of the Late Cretaceous Bulkley Intrusions are composed of quartz monzonite, granodiorite and quartz diorite and occur in a northwest-trending belt that is closely associated with vein and porphyry deposits in the eastern El Toro claim group. The most abundant intrusions are the small stocks and bosses of the Eocene Nanika Intrusions (quartz monzonite, granodiorite, quartz diorite) that form a wide northwest-trending belt across the Smithers Map-Area, coincident with that of the Bulkley Suite. Abundant dykes associated with the two latter plutonic suites, including granodiorite, quartz diorite, quartz-feldspar porphyry, and basalt, are closely associated with many of the vein, fracture-filling, shear hosted and skarn occurrences in the area.

6. MINERAL DEPOSITS

The principal deposit type present is mesothermal polymetallic Ag-Au veins of subvolcanic setting. Vein mineralogy, in approximate order of abundance, is pyrite, chalcopyrite, magnetite, bornite, hematite, tetrahedrite, sphalerite, galena and chalcocite. Gangue is quartz and lesser calcite. Veins commonly follow dyke, fracture and shear zones in the volcanic hostrocks, accompanied by an alteration assemblage that includes intense silicification plus calcite, epidote and sericite. Veins exhibit a dominant northwesterly strike, with a subordinate northeasterly trend. Previous producers include the KING, RAINBOW, COLORADO and SANTA MARIA mines, whose small production commonly peaked during the First World War. Veins were often narrow and lacking in continuity, but high grade: Au to 24g/t, Ag to 1000 g/t and Cu to 13%.

Less abundant deposit types are porphyry Mo, Cu (Low- F type) and porphyry Cu, Mo (Ag, Au). The principal Mo porphyry occurrences are the FOG and FOG, FLY hosted by an elongate Bulkley pluton immediately south of Hunter Basin in the northeastern claim group. At FOG quartz-molybdenite-minor chalcopyrite veins 2 to 5 cm wide are associated with two zones of quartz-sericite alteration, one of which is over 200 m wide.

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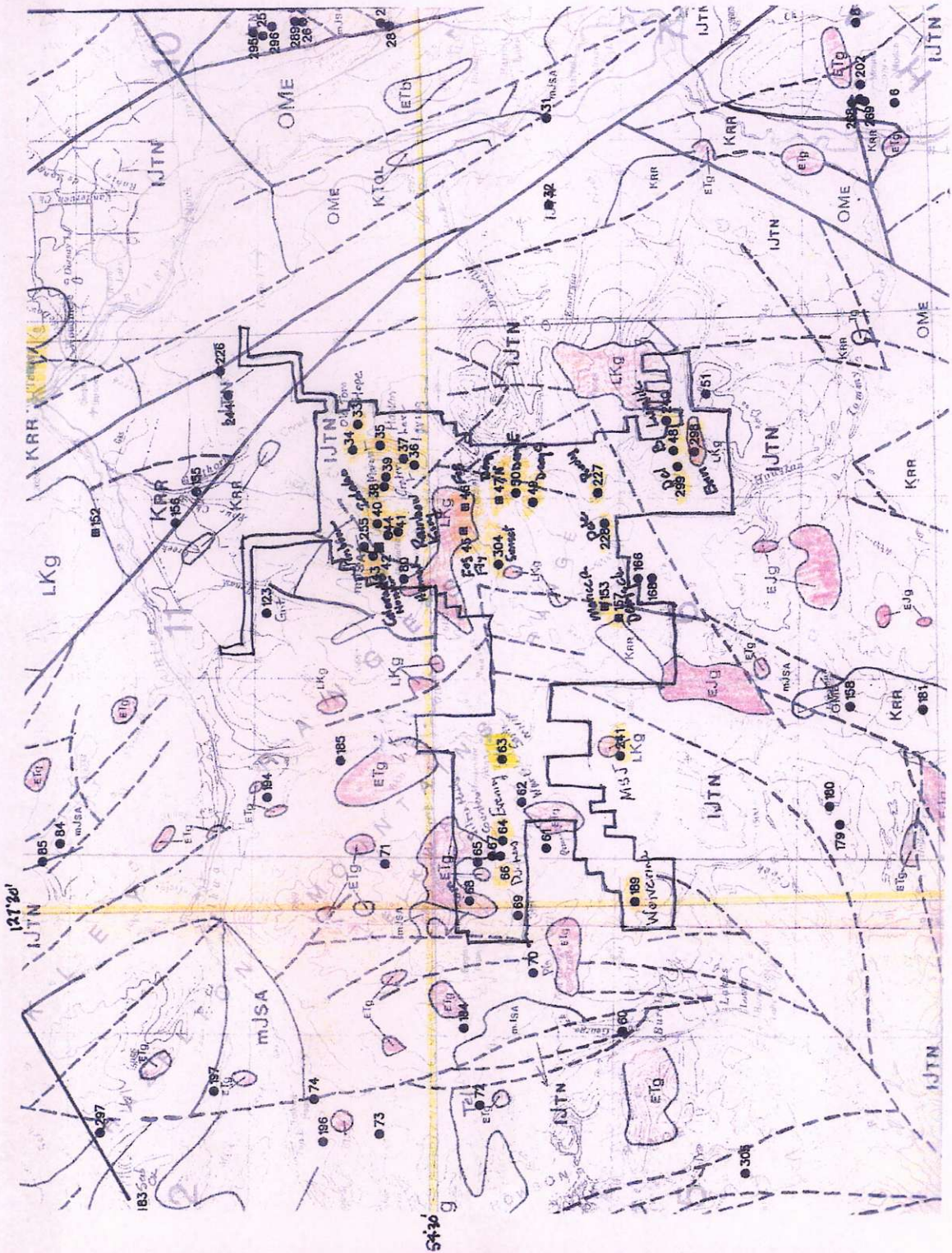


FIGURE 2: Geology and Mineral Deposits in El Toro claim area

Argillic and potassic alteration of intrusive rocks occurs between the veins, and a skarn calc-silicate assemblage is developed in volcanic rocks in contact with the stock. A 0.5 m channel sample from the eastern quartz-sericite zone assayed 0.252 % Mo and 0.01 % Cu. Plutons of both Bulkley and Nanika plutonic suites are prospective for porphyry deposits. The potential for porphyry Cu, Mo (Ag, Au) deposits exists where disseminated mineralization occurs in felsic granitoid dykes associated with veins, as at DUCHESS prospect and RAINBOW previous producer. Plutons associated with mineralized dykes are prospective for porphyry-type deposits.

Several occurrences of skarn Cu-Ag-Zn mineralization with calc-silicate-magnetite skarn assemblages are recorded adjacent to dyke and plutonic contacts, in association with vein and disseminated mineralization, e.g. DUCHESS, FOG. Host Telkwa formation rocks are lacking in carbonate members, and extensive or economic concentrations of skarn Cu-Ag-Au mineralization are not likely to occur.

7. MINERAL POTENTIAL

7.1 PRIORITY 1: Porphyry Mo (Cu) and Cu Mo (Au, Ag).

The potential for discovery of an economic porphyry Mo or porphyry Cu deposit is estimated to be HIGH. Some of the positive factors influencing this choice are:

- Several other economic porphyry deposits occur in the area, e.g. Granisle, Blue Pearl.
- Plutons of two known porphyry-mineralized suites, e.g. Bulkley and Nanika, crop out in El Toro claim group.
- Several showings include disseminated, porphyry-style Cu and Mo mineralization within the host pluton, e.g. FOG.
- Several vein deposits show disseminated Cu-Ag-Au mineralization in associated felsic granitoid dykes probably related to adjacent plutons, e.g. RAINBOW, DUCHESS.
- Limited historic geophysical data indicates numerous chargeability and gravity anomalies may overlie shallowly buried mineralized plutons.

Exploration targets for porphyry-type, open-pit deposits are estimated as follows:

Mo ore at 0.1% Mo would have a gross value of US\$50/t, and a deposit of about 50 million t may be economic, all other conditions being favourable.

Cu ore at 0.5% Cu would have a gross value of US\$35/t plus about \$5 credits for Au and Ag, and a deposit of about 100 million t may be economic, all other conditions being favourable. These model tonnage and grade criteria are deemed reasonable for this area.

7.2 PRIORITY 2: Polymetallic Au Ag vein.

The potential for discovery of a vein deposit of dimension and grade sufficient to support an underground mining operation is estimated to be MODERATE. Some of the factors influencing this rating are:

- Four vein deposits in El Toro area have produced ore in the early 20th century, e.g. KING, RAINBOW, COLORADO and SANTA MARIA.
- At least 10 other vein deposits of similar mineralogy and elevated Cu-Ag-Au grade in El Toro area have the potential to contain limited tonnages i.e. 300-500 t, of high-grade ore.
- Several past producing and near-producing vein deposits of similar type in the Smithers area include Silver Queen, Equity Silver, Cronin, Dome Mountain, Victory and Bob Creek

Whereas numerous vein deposits are known in the region, the probability of discovering one whose economics would support an underground operation is deemed to be moderate. For veins other than SANTA MARIA, the average of 13 published assay widths is 1-2 m and lengths is less than 100 m. An exploration target for a vein deposit of grades and dimensions similar to those encountered at El Toro may be taken as a gross metal value of US\$200/t, reserve of 1 million t, and dimensions of about 50 m long, 2 m wide and 25 m deep. Minimum grades for these dimensions would be in the order of 1% Cu, 100 g/t Ag and 5 g/t Au.

7.3 **PRIORITY 3:** Stockwork, disseminated Au, Ag deposit.

Potential for discovery is deemed to be LOW to MODERATE.

- The possibility of bulk tonnage, open-pit table precious metal deposits in El Toro area is supported by disseminated and/or stockwork mineralization of limited extent adjacent to veins and shear zones at LEFTY (WOLVERINE), WAR EAGLE and DUCHESS.
- El Toro area is one of intersection of regional northwest and northeast fractures, emplacement of equant to cylindrical intrusions along intersection zones of high-angle fractures, and doming of host volcanics over intrusive stocks. This structural setting is permissive for stockwork development.
- Historical exploration data define numerous areas of hydrothermal alteration in fractured rocks and anomalous Cu, Ag, Zn and Au geochemical response in soils. Most of these anomalies have been inadequately tested.

A realistic target grade for a bulk-tonnage low-grade precious metal deposit is estimated to be about 1 g/t Au equivalent, which would necessitate an ore volume of at least 100 Mt.

8. **PROPOSED EXPLORATION**

8.1 Airborne Survey

Historical exploration for at least a century has been successful in the discovery of vein deposits, mainly by classical prospecting, and subsequent application of

geochemical and geophysical exploration methods has been largely localized by vein discoveries. The rugged topography has limited the extent of regional surveys. To effectively explore the potential for buried porphyry-type deposits (Priority 1) a departure from ground-based methods is recommended. A helicopter-borne combined magnetometer-scintillometer-VLF-EM survey is recommended as a cost effective way of covering this large and rugged area.

Figure 3 gives the outline of the proposed area to be covered by an airborne survey. The irregular outline of El Toro claim block creates problems for detailed airborne coverage, and the proposed survey area represents compromises. If north-south lines spaced at 100 m were flown across the area, a total of 3710 line-km would be flown. At an estimated contract cost of \$120/line-km, the program would cost \$445,200. A 100 m line spacing is deemed the optimum to reveal porphyry copper targets, and selected areas could be flown later at 50 m line spacing to better define the larger targets but also to reveal targets of the size recorded in El Toro area. The magnetic survey will be particularly useful in detecting contacts of concealed plutons and magnetite-bearing mineralization, and assisting in mapping of known intrusive contacts. The radiometric survey allows identification and discrimination of plutonic suites and petrographic types on the bases of U/Th ratios and K content, and is particularly useful in detecting zones of potassic alteration. The airborne VLF-EM survey should reveal sulphide-rich conductors, particularly large veins and mineralized shear zones.

8.2 Follow-Up Surveys

Anomalies generated by the airborne survey may include magnetic highs over buried plutons, contacts and magnetic mineralization, potassium-rich alteration zones, and linear EM conductors. These and other anomalies should be followed up by first carrying out conventional prospecting, recce mapping and sampling, then doing grid geochemical and geophysical surveys as warranted. Developed anomalies should be first trenched by hand or excavator, and then drilled. The results of the airborne and ground follow-up surveys will dictate the scope of the drilling program.

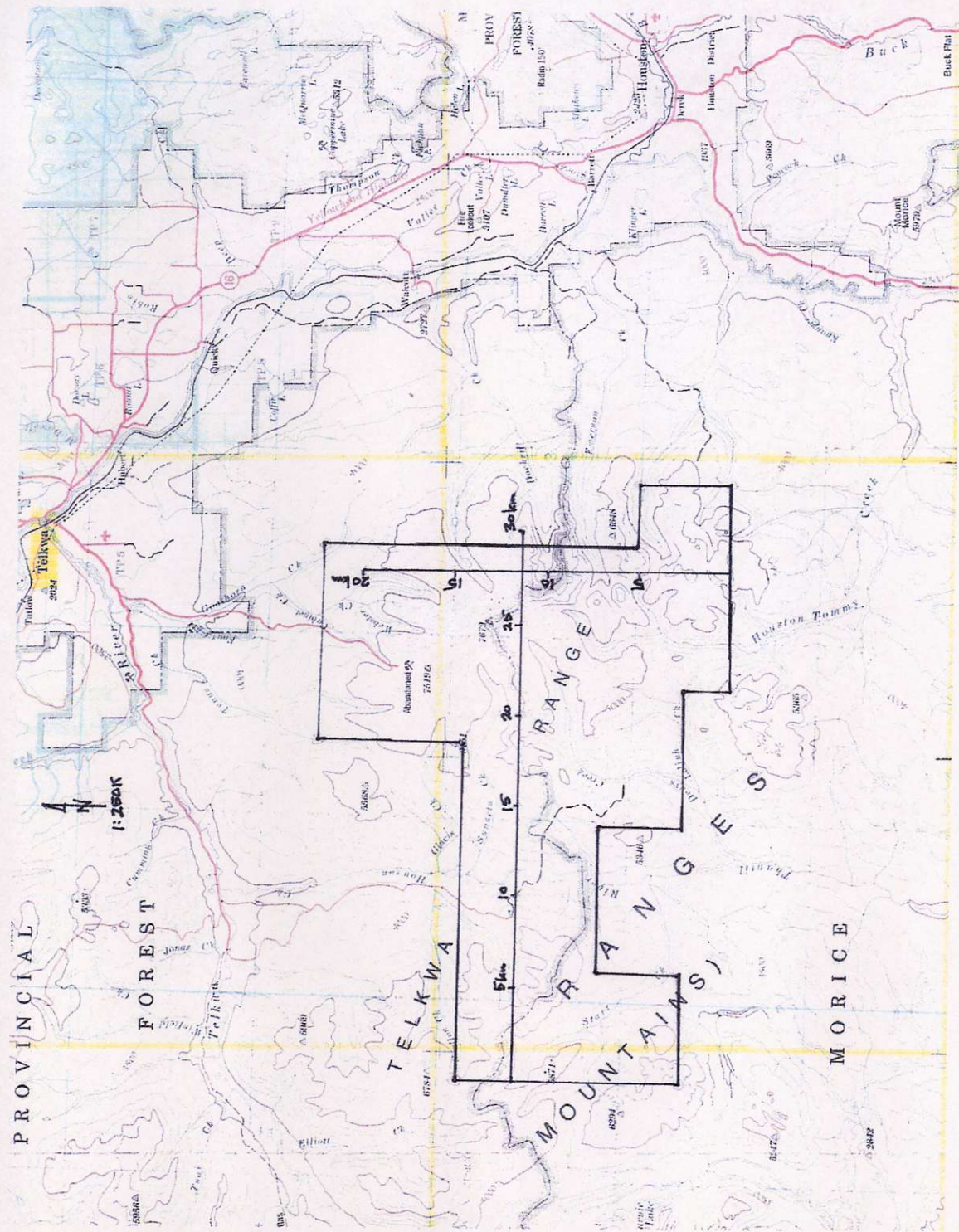


FIGURE 3: Outline of Proposed Helicopter Airborne Survey Area, El Toro Claims

9. CONCLUSIONS

- El Toro claim block overlies a well- mineralized area south of Telkwa that includes over 40 past producers, deposits, prospects and occurrences.
- Whereas four previous producing polymetallic Au, Ag vein deposits are located within El Toro claims, and several past producing mines are located in the Smithers Map-Area, the potential for discovery of an economic underground mine of this type is rated as only Moderate. The narrow widths, short and/or discontinuous lengths, and inconsistent grades of most vein deposits are negative factors in their economic potential
- Whereas only two modest porphyry-type occurrences are recorded at El Toro, the potential for discovery of at least one economic porphyry Mo (Cu) or porphyry Cu (Mo, Au, Ag) deposit is rated as High. Plutons of two suites (Bulkley and Nanika) that host significant porphyry-type deposits elsewhere in the region are common in the claim area. Some plutons appear to be genetically related to mineralized granitoid dykes.
- An airborne magnetic-radiometric-VLF-EM survey, flown on north-south lines at 50 m spacing, is recommended to reveal the presence of buried plutons and accompanying porphyry-style mineralization. The presence of vein, mineralized shear zone, stockwork and skarn mineralization should also be detected by an airborne multi-channel survey.

10. BUDGET

Airborne survey: multi-channel helicopter borne survey that covers 3710 line- km at an estimated contract price of \$120/line- km.....	\$445,200.
Follow-up prospecting, recce mapping and sampling of anomalies, trenching, grid geochemical and geophysical surveys, crew of 4 for 1 month:	
Salaries: geologist \$500/day, assistants \$350/day.....	46,500
R&B.....	12,000
Trucks (2), fuel.....	5,000
Assays.....	7,500
Supplies.....	1,000
Excavator, est. 7 days@\$2000.....	14,000
Incidentals@10%.....	8,600
Diamond drilling, est. 1000 m@\$100.....	100,000
Reporting, data handling.....	10,000
Total.....	\$649,800

11. REFERENCES

MINFILE Map 093L Smithers, Scale 1:250,000, 1989.

ARIS Reports for 093 L, B.C. Ministry of Energy Mines and Petroleum Resources

12. STATEMENT OF QUALIFICATIONS

I, Kenneth Murray Dawson, Ph.D., P.Geo. do hereby certify that;

I am President of Terra Geological Consultants Ltd., 3687 Loraine Ave., North Vancouver, B.C. V7R 4B9;

I graduated with a Ph.D. in Economic Geology from the University of British Columbia in 1972, and a Bachelor of Science degree in Honours Geology from the University of British Columbia in 1964;

I am a Member of the Professional Engineers and Geoscientists of British Columbia, a Fellow of the Geological Association of Canada, a Life Member of the Canadian Institute of Mining and Metallurgy, a Member of the Mineralogical Association of Canada, and a Corresponding Member of the Russian Academy of Science;

I have worked as an exploration, research and mining geologist for over forty-one years since my graduation from university;

I am responsible for the entire report titled "A Review of Historical Data on El Toro Claims of Farshad Shirvani, 093L/5,6,11, Telkwa, B.C.";

I have not visited nor had prior involvement with the property that is the subject of this report;

I am independent of Farshad Shirvani, applying the tests set out in Section 1.5 of NI 43-101;

I consent to the filing of this technical report with any stock exchange or other regulatory authority and any publication by them.

Dated May 7, 2006

Kenneth M. Dawson