700122

Tasco Porphyry Property

Clinton Mining Division
Cariboo-Chilcotin Region, British Columbia,
Canada

Technical Report

For

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1. SUMMARY

The Tasco Porphyry Property is a 2,662-hectare mineral tenure located approximately 200 kilometers north of Vancouver, British Columbia. It is owned jointly by John A. Chapman and KGE Management Ltd (Gerald G. Carlson, principal). It is strategically located in highly prospective ground with a partially defined copper-molybdenum porphyry deposit (Copper Zone) at its core. Exploration programs in the past have identified numerous anomalous zones which require further exploration work to identify their source(s).

The Copper Zone prospect is a porphyry-type copper-molybdenum deposit with a large surficial gossan zone. It lies within the Coast Plutonic Complex, locally composed of quartz-hornblende diorite. The deposit has been intersected by 8 diamond and 4 percussion drill holes. The deepest drill hole (304 meters) was mineralized over its entire length. The deposit requires both in-fill and perimeter drilling to properly define its mineral potential.

In addition, the presence of soil geochemical anomalies, under-explored gossan zones and under-explored showings suggests the potential to find additional mineralized zones on the Tasco property.

A success-contingent, two-stage exploration program is required to properly define the presently known deposit, to adequately explore the other known targets and potential new mineral discoveries on the property. Phase I of the program would cost approximately $Cdn 202,000. This program would include:

- Reconnaissance mapping and prospecting of the land package,
- A pole-dipole induced polarization (IP) geophysical survey of 22 line-kilometers centered on hole 81-2 (deepest continuous mineralization of any hole) combined with a ground magnetometer survey on the same grid,
- Extension of the wide-spaced soil geochemical survey over the original 1990 soil grid to fully define all previous anomalies,
- Reconnaissance soil geochemical surveys over the rest of the property to test for new mineralized zones,
- Detailed (close-spaced) soil geochemical surveys of the known mineralized zones,
- Survey of all data into a digital database using GPS UTM NAD83 coordinates,
- Limited hand-dug and/or excavator-dug trenches over mineralized zones, if possible.

The scope of Phase II of the program will be contingent on the results of Phase I. The program would include definition and perimeter drilling of the Copper Zone deposit. It could also include initial drilling of other targets defined in the Phase I program.

2. INTRODUCTION

2.1. General

The Tasco property is located in the Clinton Mining Division of British Columbia. It is considered a porphyry-type deposit containing anomalous values of copper, molybdenum and gold.

The purpose of this technical report is to identify the Tasco property as a property of merit. The report is a compilation of all available provincial and private data and assessment reports. This technical report is prepared for John A. Chapman, P.Eng. and KGE Management Ltd. (Gerald G. Carlson, principal).

The author has not made a site visit to the property at this time due to the snow conditions in the area. It is anticipated that the author will visit the property when there will be adequate rock exposure for a reasonable property examination.

2.1. Reliance on Other Experts

The author has compiled this report with all due care and reviewed all available reports. It is believed that the information contained within this report is accurate and reliable. All previous work programs on the property have been undertaken by experienced exploration personnel and the referenced reports cited were written by qualified professionals.

3. PROPERTY DESCRIPTION

3.1. Location

The Tasco property is located 150 kilometers southwest of Williams Lake, British Columbia and 200 kilometers north of Vancouver as seen in Figure 1. The property is in the Clinton Mining Division, within map sheets 092O.003 and 092O.004. The coordinates of the center of the claim block are approximately 473,917 mE and 5,655,704 mN (UTM NAD83) or 51° 03' N latitude and 123° 23' W longitude.

3.2. Claims

The Tasco Property is comprised of two large Mineral Titles Online (MTO) mineral claim blocks, which total 2,661.5 hectares. The claims are owned by Gerald G. Carlson (50 % - held on behalf of KGE Management Ltd.) and John A. Chapman (50 %). The claim statistics are listed in Table 1 and are illustrated in Figure 2.

Table 1 - Tasco Property Claims

Tenure No.	Claim Type	Ha	Expiry Date
507495	MTO mineral claim	1,320.3	February 10, 2007
507507	MTO mineral claim	1,341.2	February 10, 2007

3.3. Accessibility

Road access to the property is obtained by travelling 80 kilometers west of Williams Lake on paved provincial highway 20 to Hanceville. A 170 kilometer gravel four-wheel drive road leads southwest from Hanceville past the east side of Taseko Lakes. At the south-end of the lakes the road parallels the Taseko River to the east to the Granite Creek road. The Granite Creek road leads south and ends as a series of drill roads in the center of the Tasco property at an elevation of approximately 2440 meters. Travel time from Vancouver is approximately 13 to 14 hours.

Helicopter service is available from Williams Lake, Pemberton (approximately 1 hour) or Gold Bridge.

3.4. Physiography, Vegetation and Climate

The property is situated in the alpine regions of the coast mountain ranges and exhibits typical U-shaped valleys and ragged ridge-lines. The elevation ranges from 1720 meters on Granite Creek to 2700 meters at the highest peaks on the east side of the property. The relief is steep to rugged except in the Granite Creek valley floor (Photo 1 and 2).

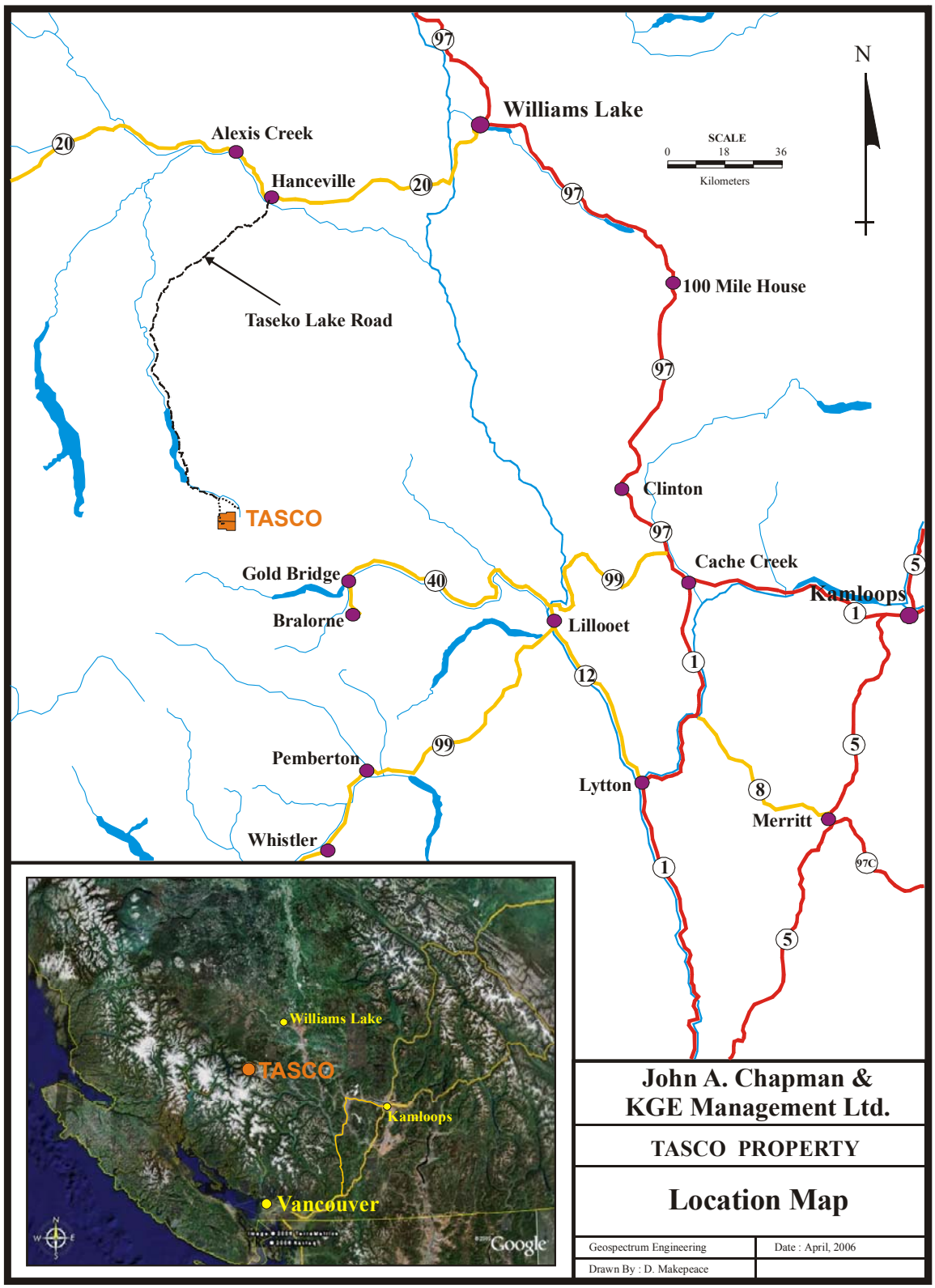
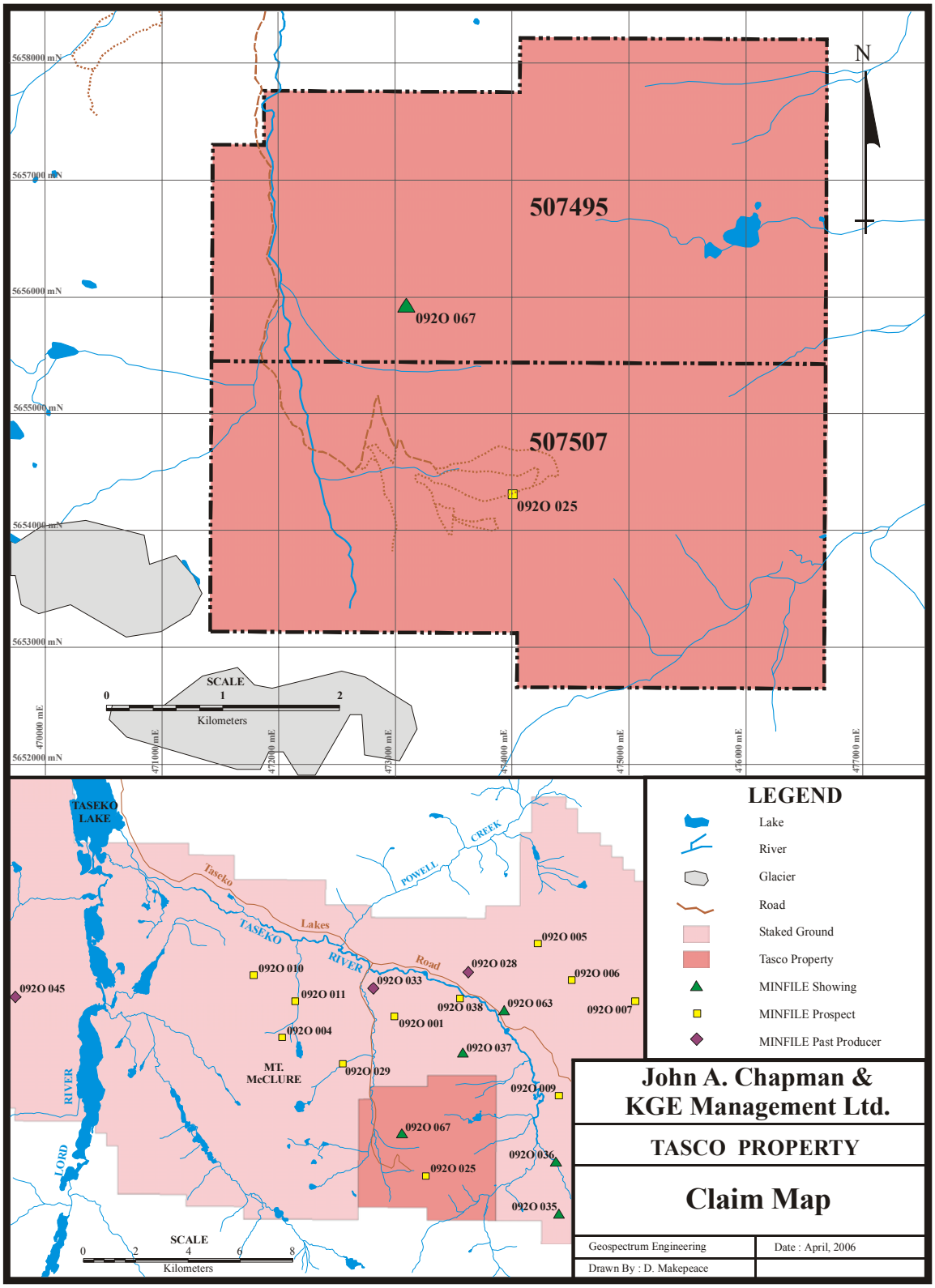

N
SCALE
0 18 36
Kilometers
Williams Lake
Alexis Creek
Hanceville
Taseko Lake Road
100 Mile House
TASCO
Clinton
Cache Creek
Kamloops
Gold Bridge
Bralorne
Lillooet
Pemberton
Whistler
Lytton
Merritt
97
20
40
99
12
1
5
8
97C
Williams Lake
TASCO
Kamloops
Vancouver
Google
John A. Chapman &
KGE Management Ltd.
TASCO PROPERTY
Location Map
Geospectrum Engineering
Date : April, 2006
Drawn By : D. Makepeace

Figure 1


5658000 mN
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5654000 mN
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470000 mE
471000 mE
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476000 mE
477000 mE
N
507495
507507
092O 067
092O 025
SCALE
0 1 2
Kilometers
TASEKO LAKE
Taseko
TASEKO
Lakes
RIVER
POWELL
CREEK
Road
092O 045
092O 010
092O 011
092O 004
092O 033
092O 028
092O 038
092O 063
092O 001
092O 037
092O 005
092O 006
092O 007
MT. McCLURE
092O 029
092O 009
092O 036
092O 035
LORD
RIVER
SCALE
0 2 4 6 8
Kilometers
LEGEND
Lake
River
Glacier
Road
Staked Ground
Tasco Property
MINFILE Showing
MINFILE Prospect
MINFILE Past Producer
John A. Chapman &
KGE Management Ltd.
TASCO PROPERTY
Claim Map
Geospectrum Engineering
Date : April, 2006
Drawn By : D. Makepeace

Figure 2

Photo 1 - Property access, looking northeast from the Copper Zone

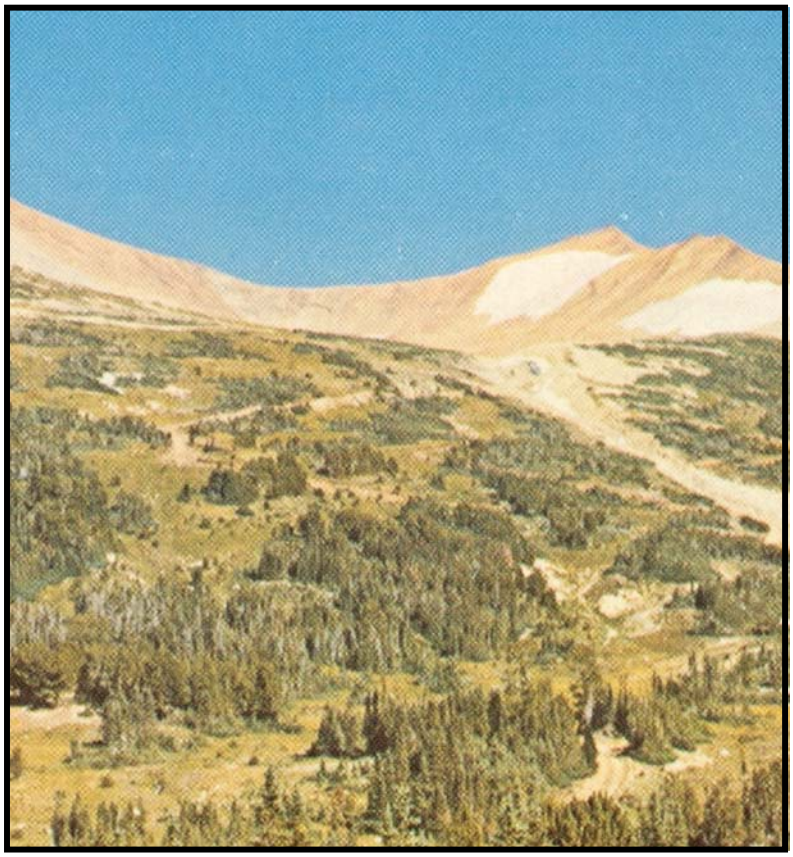

Photo 2 – Tasco property, looking east toward the Copper Zone

Vegetation consists of Lodgepole Pine Engelmann Spruce and Whitebark Pine in the Granite Creek valley with Subalpine fir, Common Juniper, Soapberry, Kinnikinnick, Lichen and various grasses at higher elevations (Valentine, 1983).

The climate is cold in winter and hot in the summer with limited precipitation and often high wind conditions. Work season is normally June to September. The Atmospheric Environment Service climate stations in the area (Dog Creek) record a mean annual temperature of 4.0 °C, a mean annual total precipitation of 39 cm and a mean snowfall of 180 cm. (Valentine et al, 1987).

3.5. Infrastructure

A series of gravel, four-wheel drive roads (Taseko Lakes Road) allows access to the property. A network of drill roads provides additional access to the central part of the property. The valley floor provides the only flat area on the property.

The nearest settlement is a series of hunting/fishing lodges on Taseko Lake. The area is isolated with little infrastructure at present. An old airstrip of unknown serviceability is reported to be on the north side of the confluence of Granite Creek and the Taseko River (Phendler, 1982).

4. HISTORY

Exploration of the eastern margin of the Coast Plutonic Complex has resulted in the discovery of numerous anomalous copper showings and prospects during the 20th century. Several regional geochemical reconnaissance programs by both the federal/provincial geological surveys and by private mining companies were undertaken in the 1960's and 1970's in search of low-grade porphyry-type copper deposits.

Exploration programs were carried out within the Taseko Lakes area by many major exploration companies including Cominco Ltd., Canex Placer Ltd., Phelps Dodge Corporation, Bethlehem Copper Corporation, Home Oil Ltd. and others.

The Tasco property was originally part of a larger property that focused on the Rowbottom Creek prospect (MINFILE 092O 029) explored by Phelps Dodge Corporation in 1964 (Phendler, 1982). The prospect was named for the small tributary of Granite Creek that cuts a surficial gossan zone discovered by the company from reconnaissance prospecting of the area. A 57-meter diamond drill hole intersected anomalous copper mineralization (0.12 %Cu) over its length (Phendler, 1982).

The Victor Mining Corporation held the Tasco property from 1969 to 1972 and changed the name from Rowbottom to NW & Bill, to avoid confusion with the Rowbottom Creek prospect. Four (4) diamond drill holes and 4 percussion holes were completed by Victor or by a syndicate (Victor Mining Corporation, Granite Mountain Mines Ltd. and Galveston Mines Ltd.) under the direction of M. W. Meyers, P.Eng. Mr. J. Bucholz supervised the drilling of 2 drill holes and carried out geological mapping of the property in 1972.

The claims lapsed in 1975 and were re-staked by United Gunn Resources Ltd. Three mineral claims were established over the known gossan zone ("Copper Zone", "Son" and "Daughter"). The gossan zone was named the Copper Zone (MINFILE 092O 025). In August 1980 two trenches were completed which uncovered abundant malachite staining. In 1981, five diamond drill holes were completed in the Copper Zone, totalling 977 meters. The weighted average grade of these 5 drill holes was 0.20 %Cu and 0.011 %Mo. The deepest hole 81-2 was mineralized for its length (288.6 meters [not true thickness] at a weighted average grade of 0.28 % Cu and 0.023 % Mo). Assays were undertaken by Acme Analytical Laboratories Ltd., Vancouver. A true thickness was never determined. With the limited information available, Mr. R. W. Phendler, P.Eng. concluded that the identified mineralized granodiorite zone appeared to trend north-northwesterly and that the Mo content increased with depth in hole 81-2 (Phendler, 1982).

United Gunn Resources completed a geological and geochemical survey of the Copper Zone showing in 1990. The results of this program defined three base and precious metal anomalies.

- The first anomaly corresponds to the porphyry copper molybdenum deposit of the Copper Zone. The geological and geochemical results indicates that the

mineralization is in the form of a bisected annular structure (Payne, 1990). The anomaly also indicates that only a small percentage of the mineralized halo has been drill tested (Photo 3).

- The second target identified in the program is an 800-meter by 350-meter molybdenum-tungsten-gold anomaly that is open to the north, south and west, located approximately 550 meters west of the Copper Zone.
- The third anomaly is a 30-meter by 150-meter gossan zone south of the Copper Zone. The gossan is attributed to disseminated pyrite, chalcopyrite, pyrrhotite and magnetite associated with a felsic dyke intruding a quartz-hornblende diorite. This showing has been interpreted to be a possible skarn-type deposit at the periphery of the porphyry copper-molybdenum deposit of the Copper Zone.

The Tasco property lay dormant from 1990 until February 2004, at which time the present owners staked the present claim boundary (Figure 2).

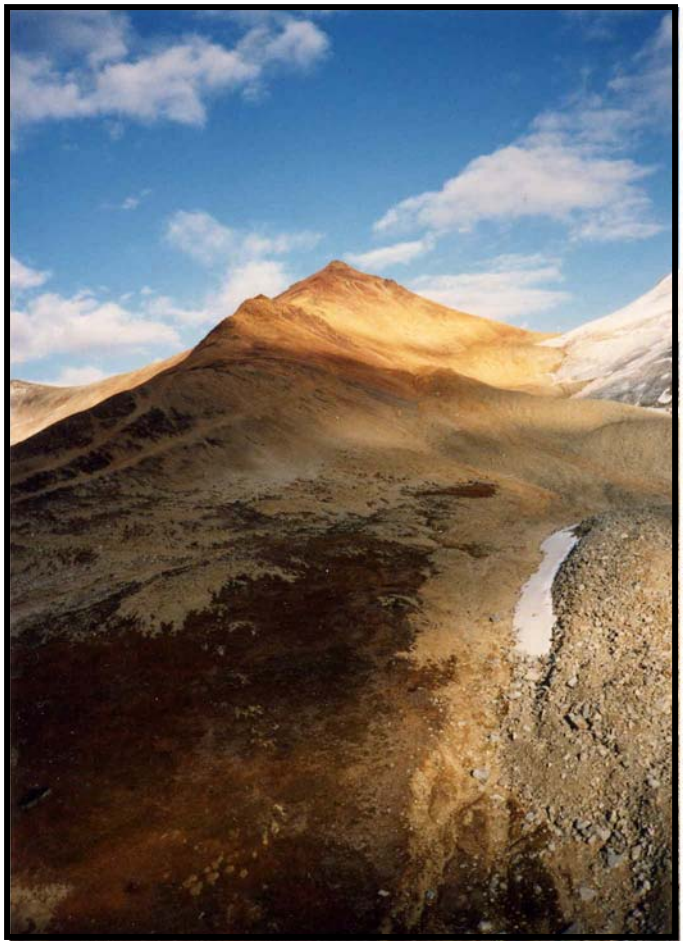

Photo 3 – Copper Zone gossan area, looking east

5. GEOLOGICAL SETTING

5.1. Regional Geology

The region is underlain by Middle Jurassic (~160 Ma) to Upper Cretaceous (~110 Ma) marine and non-marine coarse clastic sediments and interfingering of volcanic rocks that collected in a successor basin called the Tyaughton-Methow Trough (McLaren et al, 1989). During the Late Cretaceous (~70 Ma) uplifting of the area, a number of significant northwest-trending strike-slip and compressional faults occurred. Intrusive rocks of the Coast Plutonic Complex of Jurassic to Eocene age were emplaced in the south and southwest portions of the region.

The Tasco property is located within the Coast Plutonic Complex, (approximately 7 kilometers) from its contact with the Late Cretaceous sedimentary units of the Tyaughton-Methow Trough (Figure 3). The intrusive belt consists of quartz diorite to granodiorite which have been subsequently cross-cut by a series of quartz-rich or felsic porphyritic stocks and dykes. The Tyaughton-Methow Trough units closest to the property are part of the Upper Cretaceous age Powell Creek Formation and the Lower Cretaceous age Taylor Creek Group (McLaren et al., 1989). The Powell Creek Formation consists of intermediate to felsic pyroclastics and flows with minor laminations of argillites, quartz-rich siltstones and sandstones. The Taylor Creek Group is characterized by rhyolitic to basaltic tuffs and flows and interlaminated argillites and sandstones. These lithologic sequences represent a volcanic island arc environment.

5.2. Local Geology

The host rock on the property is an equigranular, medium to coarse-grained, quartz-hornblende diorite (Payne, 1990). The composition of the diorite is quartz (20-25 %), plagioclase (40-60 %), orthoclase (8-10 %) and hornblende (8-10 %) with minor amounts of biotite (1-3 %), pyrite (1-4 %), chalcopyrite (< 1 %) and magnetite (< 1 %). Quartz and orthoclase are interstitial to the plagioclase crystals. Hornblende is equally dispersed throughout the quartz diorite and its major crystal axis does not exhibit a preferred orientation. Weathered surfaces are stained with limonite while fresh surfaces appear medium to light grey.

Intruding the quartz-hornblende diorite are small (300 to 500 meters) feldspar porphyry stocks and plugs (Figure 4). The feldspar phenocrysts are lath or irregular in shape and vary in size and can be vuggy in places (Payne, 1990). The feldspars also display a white halo around the perimeter of the crystals. Long (3 mm), thin crystals of biotite (< 1 %) are disseminated throughout the unit. Pyrite is disseminated throughout the feldspar porphyry units as well as smears on fracture surfaces.

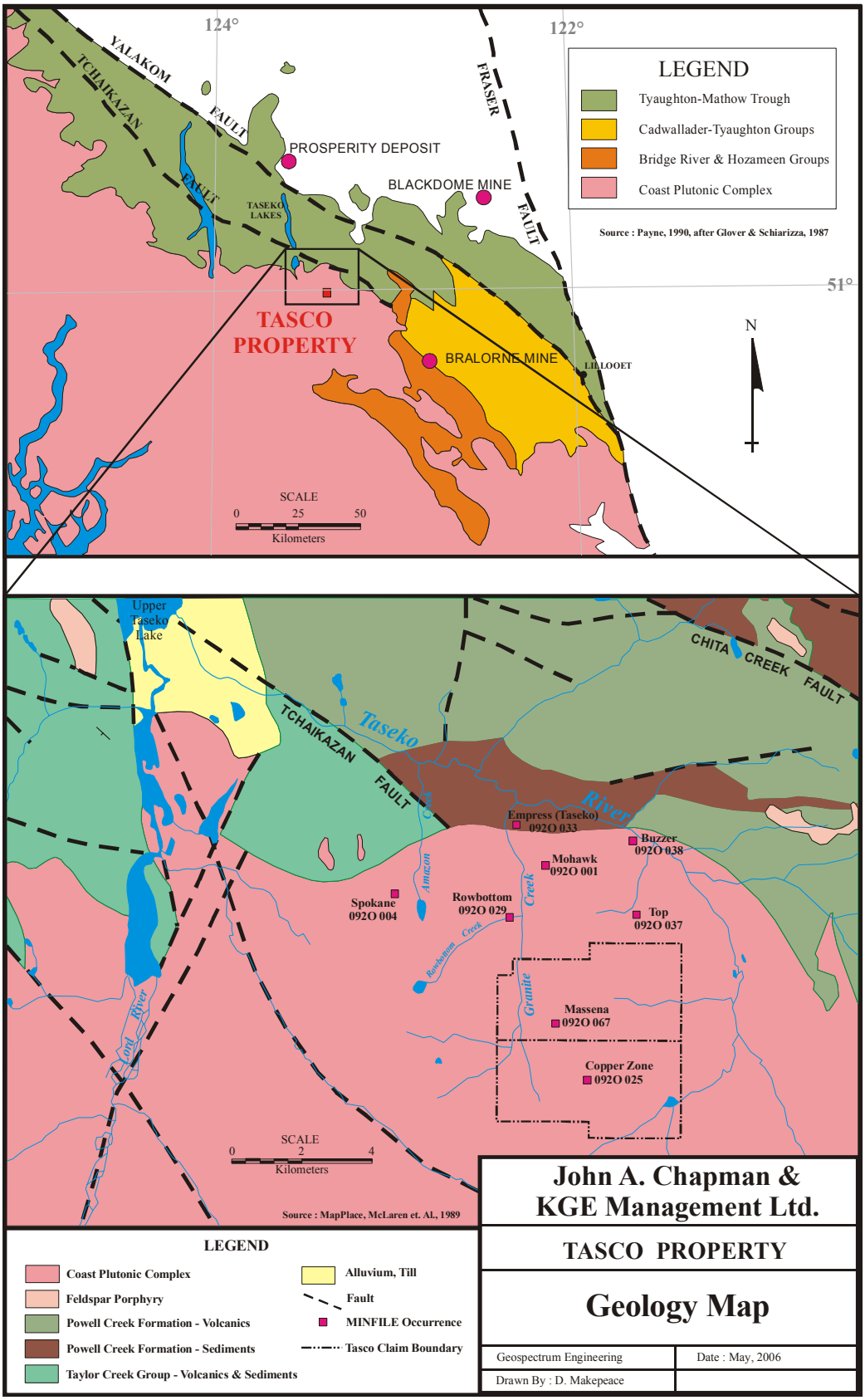
124°
122°
51°
YALAKOM
TCHAIKAZAN
FAULT
FRASER
FAULT
PROSPERITY DEPOSIT
BLACKDOME MINE
TASEKO LAKES
TASCO PROPERTY
BRALORNE MINE
LILLOOET
N
LEGEND
Tyaughton-Mathow Trough
Cadwallader-Tyaughton Groups
Bridge River & Hozameen Groups
Coast Plutonic Complex
Source : Payne, 1990, after Glover & Schiarizza, 1987
SCALE
0 25 50
Kilometers
Upper Taseko Lake
TCHAIKAZAN FAULT
Taseko River
CHITA CREEK FAULT
Empress (Taseko) 092O 033
Buzzer 092O 038
Mohawk 092O 001
Spokane 092O 004
Rowbottom 092O 029
Top 092O 037
Amazon Creek
Rowbottom Creek
Granite Creek
Massena 092O 067
Copper Zone 092O 025
Lord River
SCALE
0 2 4
Kilometers
Source : MapPlace, McLaren et. Al., 1989
LEGEND
Coast Plutonic Complex
Feldspar Porphyry
Powell Creek Formation - Volcanics
Powell Creek Formation - Sediments
Taylor Creek Group - Volcanics & Sediments
Alluvium, Till
Fault
MINFILE Occurrence
Tasco Claim Boundary
John A. Chapman & KGE Management Ltd.
TASCO PROPERTY
Geology Map
Geospectrum Engineering
Date : May, 2006
Drawn By : D. Makepeace

Figure 3

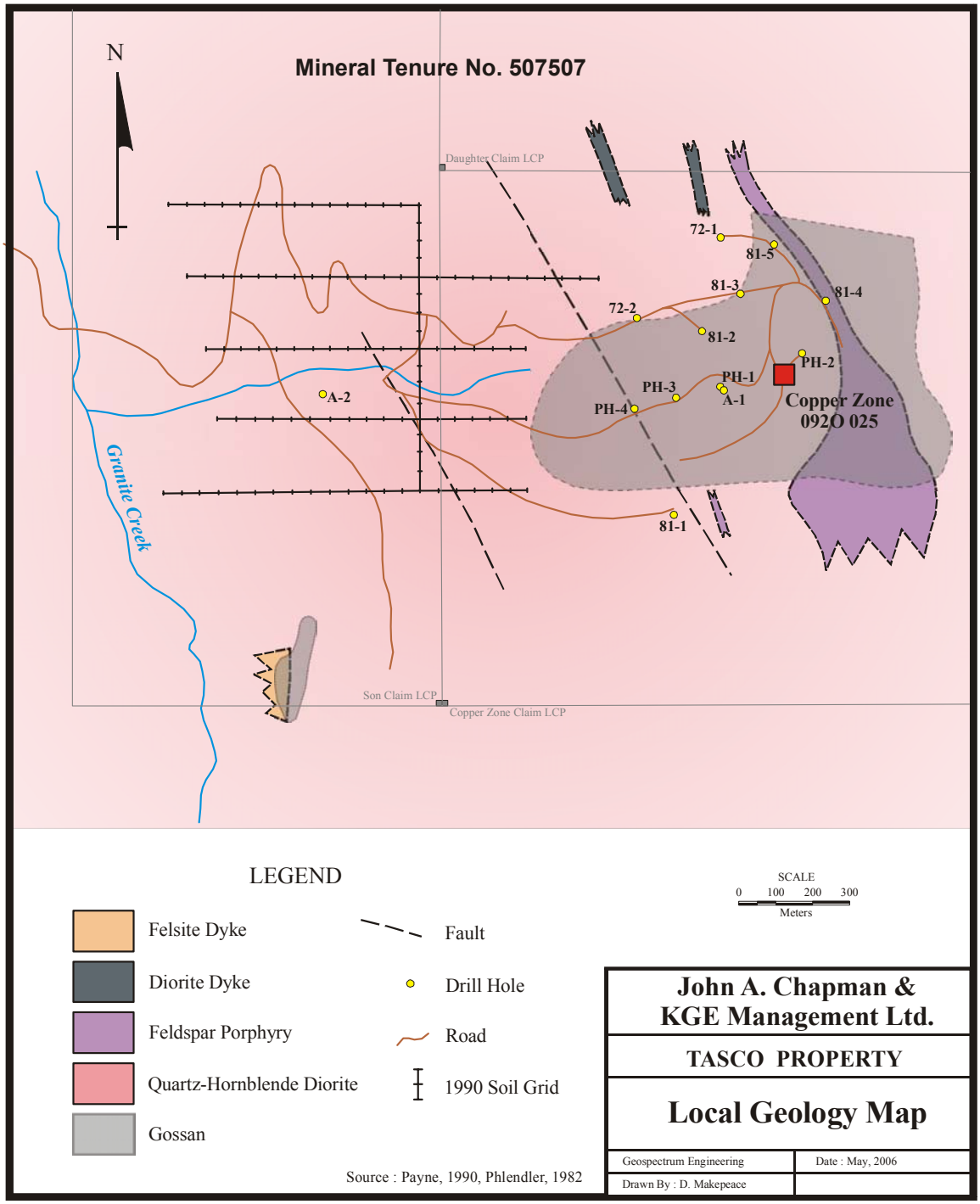

Figure 4

Core from the different drilling programs on the property has identified cross-cutting and post-mineralized dykes of diorite, alaskite and quartz porphyry composition.

5.3. Structure

The major structure in the area is the Tchaikazan Fault. It trends to the northwest and typically separates Lower and Upper Cretaceous rocks in the Tyaughton-Methow Trough. The location of the fault is marked by orange-weathering alteration zones, pervasive carbonate alteration and localized siliciceous breccia zones. This fault has been mapped to have a dextral transcurrent movement of more than 30 kilometers (McLaren, 1989). Other major faults that are parallel to the Tchaikazan Fault and within the Tyaughton-Methow Trough sediment package are the Chita Creek Fault and the Yalakom Fault.

The Tchaikazan Fault trends through the northeast corner of the property. Northwesterly trending structures parallel and possibly related to the Tchaikazan Fault may have controlled the emplacement of intrusives and related mineralization on the property.

The Coast Plutonic rocks are normally massive and jointed. Locally, foliation is well developed and is fractured in places.

5.4. Deposit Types

Mineralized showings within the Coast Plutonic Complex include disseminated porphyry-type (i.e. Copper Zone, Rowbottom, Mohawk [MINFILE 092O 001] and Buzzer [MINFILE 092O 038]), vein and fracture controlled (i.e. Spokane [MINFILE 092O 004], Massena [MINFILE 092O 067] and Top [MINFILE 092O 037]) and intrusive breccia-type (i.e. Mohawk [MINFILE 092O 001]) deposits.

To the north of the Complex and within the volcanics there are several copper and gold deposits (i.e. Taylor-Windfall [MINFILE 092O 028] and Empress [MINFILE 092O 033]) that have been discovered.

The major metals in these Coast Plutonic Complex deposits are copper, molybdenum and gold with minor silver. In the Tyaughton-Methow Trough, the major metals are copper and gold with minor zinc and lead mineralization.

The property has two known showings (Copper Zone MINFILE 092O 025 and Massena [MINFILE 092O 067]). The Copper Zone prospect is considered to be a LO4 calcalkaline porphyry Cu ± Mo ± Au classic-type deposit as defined by the BC Geological Survey's Mineral Deposit Profiles. The capsule description states:

> Stockworks of quartz veinlets, quartz veins, closely spaced fractures and breccias containing pyrite and chalcopyrite with lesser molybdenite, bornite and magnetite occur in large zones of economically bulk-mineable mineralization in or adjoining porphyritic intrusions and related breccia bodies. Disseminated sulphide minerals are present, generally in subordinate amounts. The mineralization is spatially, temporally and genetically associated with hydrothermal alteration of the hostrock intrusions and wallrocks.

(http://www.em.gov.bc.ca/Mining/Geolsurv/MetallicMinerals/MineralDepositProfiles/PROFILES/L04.htm)

The Massena showing is a series of small parallel quartz veins within a north trending feldspar porphyry dyke which cuts the quartz-hornblende diorite. The limonite-stained dyke contains silver and minor gold and cerrusite. The showing has not been actively explored by mining companies, probably due to the erratic nature of these small showings. The showing has not been categorized by MINFILE but fits the characteristics of an I06 Cu ± Ag intrusion-related quartz vein deposit or it could be a distal showing within the L04 calcalkaline porphyry of the Copper Zone. More work will need to be done on this showing to properly categorize it.

5.5. Mineralization

The mineralization within the Copper Zone deposit is disseminated throughout the quartz hornblende diorite as well as smears on fracture surfaces. Pyrite is the primary sulphide and averages 3 to 5 % in the quartz-hornblende diorite and up to 12 % in the feldspar porphyry. Chalcopyrite is disseminated in localized gossan zones within the quartz-hornblende diorite and as smears on silicified fracture surfaces. Molybdenite occurs as irregular pods within silicified areas of the quartz-hornblende diorite and in localized quartz veinlets.

Minor disseminated galena and sphalerite have been identified in vuggy quartz-filled shear zones on the property.

5.6. Alteration

Silicification is distributed throughout the quartz-hornblende diorite and the feldspar porphyry but is more intense near or in fault zones.

The plagioclase within quartz-hornblende diorite and the feldspar porphyry is locally altered to a pink-white colour indicating sericite alteration. Primary features such as crystal twinning and zoning are still evident indicating that the alteration is of low grade.

Chlorite-epidote alteration is evident in the quartz-hornblende diorite near the Copper Zone. Chlorite reaction rims form around the hornblende and biotite phenocrysts. Chlorite with minor epidote and calcite replacement was observed in the groundmass and on feldspar phenocrysts (Payne, 1990).

6. EXPLORATION PROGRAMS

The Tasco property has been explored periodically for at least three decades. The exploration programs, however, have been limited to early stage mineral development.

The following is a summary of the historical exploration results from previous operators of the property. The results of these historical exploration programs illustrate that the Tasco Property is a "Property of Merit". The present owners of the property have not completed any physical work on the property.

6.1. Geochemical Surveys

6.1.1. GRID

A 5,400-meter grid was constructed by hip chain and compass over the Copper Zone showing in 1990 (Figure 4 and 5). The north-south 800-meter picketed baseline was established 580 meters north of the LCP of the old (1975) "Copper Zone" and "Son" mineral claims of United Gunn Resources Ltd. East-West cross lines were established every 200 meters along the baseline. Stations were picketed every 50 meters along each cross line.

6.1.2. SOIL GEOCHEMICAL SURVEY

Soil sample results indicated overlapping copper, gold, molybdenum and tungsten anomalies over the central part of the grid (Central Zone Anomaly –Target 1, Payne, 1990). The anomalies portray a dispersion pattern to the west (down slope) and to the northwest from the main surface copper and molybdenum showing (Figure 5). The northwest pattern may indicate a possible strike extension of the mineralization

Another overlapping series of anomalies (gold, molybdenum and tungsten) were identified approximately 550 meters from the Central Zone Anomaly (West Zone – Target 2, Payne, 1990). The trend of these anomalies is also to the northwest and exhibits a zoning-type pattern. The full extent of these anomalies has not been defined. They are open to the north, south and west.

6.1.3. ROCK RECONNAISSANCE SURVEY

During the survey a new gossan zone was discovered near the United Gunn Resources Ltd.'s claim boundary and well within the present claim boundary (Figure 5). It was observed that the gossan has disseminated pyrite, chalcopyrite, pyrrhotite and magnetite mineralization within a felsic dyke that intruded the quartz-hornblende diorite (Payne,

1990). Rock samples from bedrock and float material down slope returned anomalous copper, zinc, silver, arsenic and gold (Figure 5). It was thought by the exploration crew to possibly be a skarn-type deposit on the edge of the main copper/molybdenum deposit.

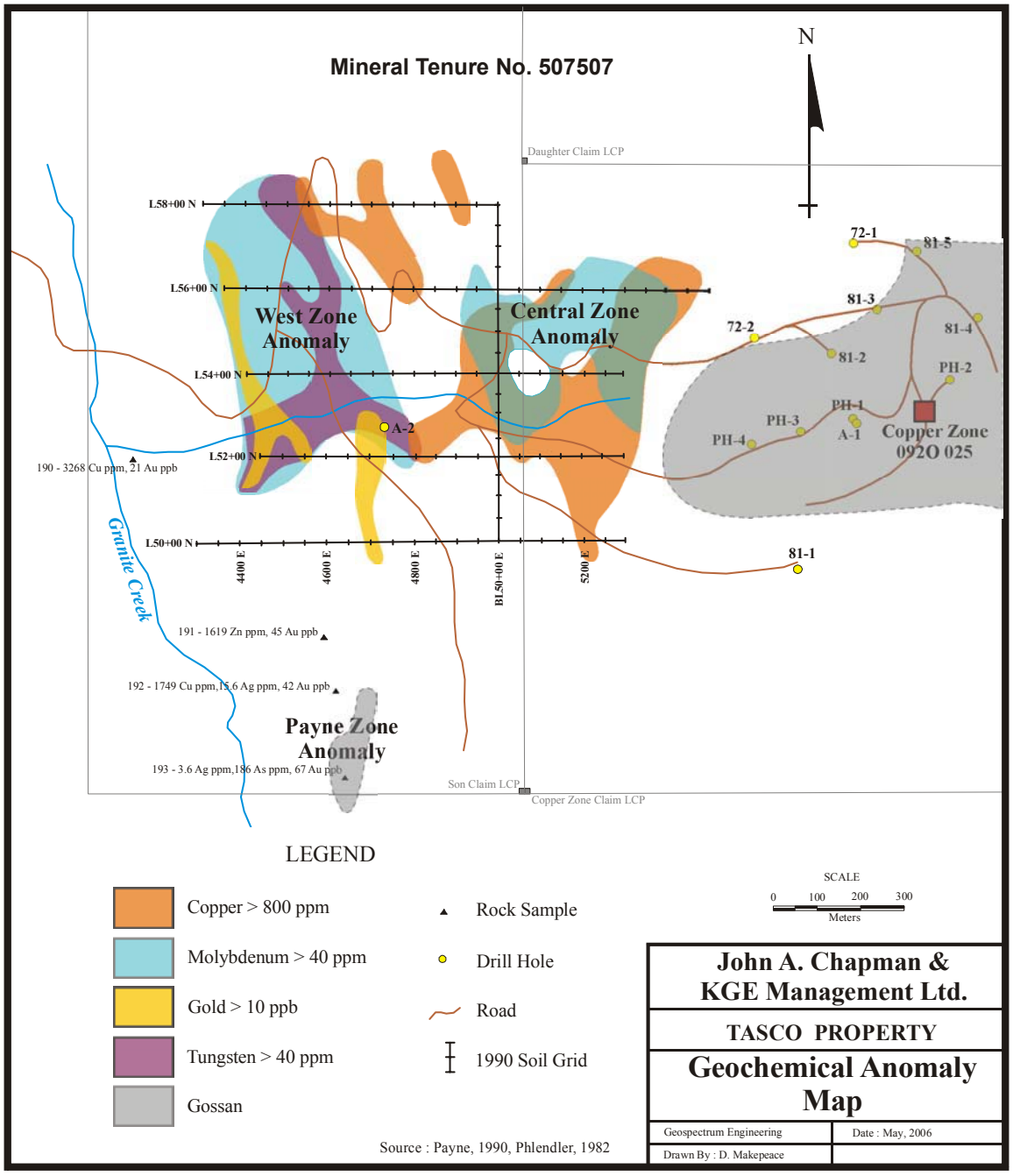

Figure 5

6.2. Drilling

There were 9 diamond drill holes and 4 percussion holes (PH-1 to PH-4) completed around the Copper Zone gossan area. Table 2 lists the important data that have been obtained from these holes. The location of the holes has been approximated by superimposing old scanned maps of the work onto a MapPlace map database and is illustrated in Figure 4 and 5.

Table 2 - Tasco Drill Hole Data

Hole No.	Bearing (° Az)	Dip (°)	Length (m)
81-1	090	-45	213.3
81-2	000	90	303.8
81-3	000	90	154.2
81-4	000	90	152.4
81-5	000	90	153.0
A-1	145	-45	121.2
A-2	020	-45	125.8
72-1	000	90	211.5
72-2	090	-60	92.1
PH-1	000	90	121.2
PH-2	000	90	72.7
PH-3	000	90	60.6
PH-4	000	90	90.9

The nine diamond drill holes and four percussion holes were drilled within a kilometer of each other. The depth of the mineralization in hole 81-2 (from 15.2 meters to the bottom of the hole at 303.8 meters [288.6 meters at a weighted average grade of 0.28 %Cu and 0.023 % Mo, **not** true thickness]) indicates that the deposit may prove to have significant dimensions when more drilling is completed in this area. At the present, there is insufficient drilling within the known mineralized zone as well as to depth and to the northwest to define the true dimensions of the deposit.

7. SAMPLING PROCEDURES AND APPROACH

7.1. Soil Samples

Soil samples taken during the 1990 exploration program were collected at every picket station on the established grid mentioned in the previous section (see Figure 4). There were a total of 103 soil samples collected from the grid. The geologist collected the samples from a poorly developed "B"-horizon wherever possible (Payne, 1990). The sample depths varied from 25 to 35 centimeters over the grid. The soil was placed in a kraft bag with the grid location station marked on the bag with a felt marker. The samples were dried and checked off before being shipped directly to Acme Analytical Laboratories Ltd. in Vancouver.

7.2. Rock Samples

During the 1990 exploration program there were 34 rock samples taken from bedrock and float boulders on the property. Each sample was most likely placed in a heavy plastic bag along with a consecutive-numbered sample tag. The outside of the bag would also be marked with the same sample number. Each sample was described and documented before being shipped to Acme Analytical Laboratories Ltd. in Vancouver.

7.3. Drill Hole Samples

Drill hole logs and assay certificates are available only for the 1981 diamond drill holes. Individual assay results for earlier diamond and percussion drill holes are found on drill sections (Phendler, 1980a). Core samples from the early holes were most likely split in half with a hand splitter. The samples would then be placed into individual plastic bags which would include a sequentially-numbered sample tag. The majority of the early drill samples were sent to Acme Analytical Laboratories Ltd. in Vancouver. It is unknown if any core from any program is still available for inspection.

The 1981 holes were sampled every 3.05 meters down the hole (Phendler, 1982). Samples were most likely split in half with a hand splitter. The samples would then be placed into individual plastic bags which would include a sequentially-numbered sample tag. The drill samples were sent to Acme Analytical Laboratories Ltd. in Vancouver. Core recovery for these five holes ranged from 93.9 to 98.7 %.

Summary drill hole assay information is listed below in Table 3. Due to the disseminated and typically widespread nature of porphyry mineralization, the limited drilling and limited individual drill assays of the earlier holes the true thickness of the intersections can not be determined at this time.

Table 3 - Tasco Drill Hole Assay Data

Hole No.	Mineralized Interval (m)	Cu (%)	Mo (%)
81-1	182.9	0.16	0.003
81-2	288.6	0.28	0.023
81-3	100.6	0.15	0.004
81-4	9.1	0.15	0.005
81-5	64.0	0.07	0.002
A-1	100.6	0.23	0.007
A-2	109.7	0.12	0.004
72-1	45.7	0.22	0.005
72-2	36.6	0.28*	
PH-1	103.6	0.21	0.007
PH-2	54.9	0.19	0.005
PH-3	57.9	0.12	0.005
PH-4	82.3	0.10	0.007

Note : * This is an equivalent copper grade.
Not true widths

Hole 81-2 is mineralized throughout its length and contains several sections of higher grade mineralization including:

Table 4 - Tasco Hole 81-2 Assay Data

Interval. (m)	Length (m)	Cu (%)	Mo (%)
63.4 – 87.8	24.4	0.35	0.006
179.2 – 270.7	91.5	0.39	0.029
270.7 – 303.8	33.1	0.17	0.079

Note : Not true widths

It should be noted that the molybdenum grade appears to increase with depth.

In the 1990 exploration program diamond drill core from holes 81-3 and 81-5 were re-sampled (Payne, 1990). The core was originally stored in a warehouse of Buccaneer Diamond Drilling Ltd. in Williams Lake (Phendler, 1982) but by 1990 it had been moved to the property of Ms Harris in 150 Mile House (comm. John Chapman). This indicates that a portion of core was still available in 1990. It is unknown whether this core still exists and if it does exist, what condition it is in.

There were 61 samples taken from these two drill holes in 1990. Each sample was 1.52 meters in length. The author is not sure whether the samples were split (quartered) or the entire split section of core was sampled. Each sample was most likely placed in a heavy plastic bag along with a consecutively-numbered sample tag. The outside of the bag would also be marked with the same sample number. Each sample was described and documented before being sent off to Acme Analytical Laboratories Ltd. in Vancouver.

The author is confident that all the soils, rocks and core were correctly sampled by professional and technically competent geologists and technicians.

8. SAMPLE PREPARATION, ANALYSIS AND SECURITY

8.1. Soil Samples

The soil samples were analysed by Acme Analytical Laboratories Ltd. in Vancouver (Payne, 1990). In the laboratory the samples were dried at 60°C and sieved to minus 80 mesh. A 0.5 gram sample was digested with 3 ml of 3-1-2 HCl-HNO_3-H_2O at 95°C for one hour and diluted with water. This method gives a total digestion for base metal elements, a partial digestion for rock forming elements and a slight digestion for refractory elements. There is also a solubility limit for silver, lead, antimony, bismuth and tungsten in high grade samples.

The samples were then analyzed for 30 elements by ICP (Inductively Coupled Plasma) while a 20-gram sample was used to do a gold analysis with an AA (atomic absorption) finish.

8.2. Rock Samples

The rock samples were analysed at Acme Analytical Laboratories Ltd. in Vancouver. These samples were crushed to approximately 0.5 cm and then approximately half the sample was pulverized to minus 100 mesh. A 30-gram sample was digested with 3 ml of 3-1-2 HCl-HNO_3-H_2O at 95°C for one hour and diluted with water.

The samples were then analyzed for 30 elements by ICP (Inductively Coupled Plasma) while a 20-gram sample was used to do a gold analysis with an AA (atomic absorption) finish.

8.3. Drill Hole Samples

The 1981 core samples were analysed at Acme Analytical Laboratories Ltd. in Vancouver. The analytical method used by Acme was not stated in any of the reports and there are no laboratory certificates available.

Analytical and sample preparation methods are unknown for the earlier drill programs.

In the 1990 exploration program diamond drill core from holes 81-3 and 81-5 were re-sampled (Payne, 1990). The samples were sent to Acme Analytical Laboratories Ltd. in Vancouver. These samples were crushed to approximately 0.5 cm and then approximately half the sample was pulverized to minus 100 mesh. A 30-gram sample was digested with 3 ml of 3-1-2 HCl-HNO_3-H_2O at 95°C for one hour and diluted with water.

The samples were then analyzed for 30 elements by ICP (Inductively Coupled Plasma) while a 20-gram sample was used to do a gold analysis with an AA (atomic absorption) finish.

8.4. Data Verification

It is unknown if there were any quality control (QC) samples inserted by property owners or operators when analysis was done. The geologists that worked on these programs (Meyer, Phendler, and Payne) are all well respected professionals. Although QC protocols were not as rigorous at that time, the author is confident that the QC of the samples was not compromised. However, it is known that Acme Analytical Laboratories Ltd. has a good internal quality control program.

In the 1990 exploration program diamond drill core from holes 81-3 and 81-5 was re-sampled as data verification (Payne, 1990). The author (Makepeace) examined the assay results from the 1990 exploration re-sampling program (Payne, 1990) and compared them to the same intervals from the original drill logs (Phendler, 1980) on an Excel spreadsheet. There appeared to be a good correlation with all the sections of hole 81-3 and 81-5. The author is confident that analytical data for these holes was properly sampled and analysed on both occasions.

All exploration programs documented on this property were undertaken by reputable geologists and engineers. There is no reason to suspect that the sampling, preparation or analysis is faulty in any way.

9. ADJACENT PROPERTIES

The most important deposit similar to the Copper Zone, in the area, is the Prosperity (MINFILE 092O 041, Figure 3) formerly Fish Lake (source: MINFILE). This deposit is at an advanced stage of development.

This calcalkaline LO4-type porphyry Cu ± Mo ± Au is in a quartz diorite stock that is intruding the sediments and volcanics of the Tyaughton-Methow Trough. It is located at the outer contact of the Trough similar to the Copper Zone, however it is on the east side of the Trough in the Intermontaine Belt rather than on the west side of the Trough and in the Coast Plutonic Complex. The Prosperty Deposit appears to have a more complicated structural geology and more intense alteration than the Copper Zone, although it is much better known and understood. The Prosperity deposit has several pre-mineralization and post-mineralization porphyry phases. The Copper Zone has not been researched enough to comment on porphyry phases.

The information on the Prosperity deposit may not necessarily be indicative of the mineralization on the Tasco property.

10. INTERPRETATION AND CONCLUSIONS

The historical exploration programs and reports on the Tasco property have generated several targets on the property that contribute to this being a Property of Merit. These targets require further exploration to define their true mineral potential.

10.1. Geochemical Anomalies

There are three valid geochemical targets as described in a previous report (Payne, 1990).

10.1.1. TARGET 1 - THE CENTRAL ZONE ANOMALY

Target 1 is a large copper and molybdenum coincident soil anomaly over the surface down slope of the Copper Zone gossan area (Payne, 1990). The wide-spaced soil sample grid shows that the anomaly has a down slope, wide dispersion pattern and has an apparent trend to the northwest. The soil grid did not cover the Copper Zone gossan area. The anomalies are open to the north. This anomaly and its source(s) have not been adequately defined with the present soil grid.

10.1.2. TARGET 2 - WEST ZONE ANOMALY

Target 2 is a group of soil anomalies (gold, molybdenum and tungsten) that overlap each other and were identified approximately 550 meters west of the Central Zone Anomaly, near the bottom of the valley (Payne, 1990). There is an apparent northwest trend to these anomalies. They appear to exhibit a zoning-type pattern. The anomalies are open to the north, south and west. The soil grid spacing is too coarse and too limited in extent to properly define this anomaly. A source for this anomaly has yet to be discovered.

10.1.3. TARGET 3 - PAYNE ZONE ANOMALY

Target 3 is a rock geochemical anomaly associated with a gossan zone that was identified approximately 600 meters south of the West Zone Anomaly. The soil grid did not cover this area although rock sample 193 returned encouraging results (3.6 ppm Ag, 186 ppm As and 67 ppb Au) as shown in Figure 5.

10.2. Copper Zone Prospect

The Copper Zone Prospect (Deposit) has had 12 drill holes intersect it and one shallow trench. The holes appear to have been collared where good access was available rather than in a pattern that would facilitate the definition of the deposit. The deepest drill hole (81-2) ended in mineralization at 303.8 meters. Most of the other drill holes tested only shallow portions of the mineralized porphyry. Two drill holes were drilled at –45° further diminishing their depth of penetration into the deposit.

The deposit requires more diamond drilling. A drill pattern should be designed to properly define this porphyry-type deposit. Each drill hole should be extended to penetrate the entire deposit to depth. A grid-style pattern of approximately 100 to 150 meters should be adopted so that a block model mineral resource estimate can properly define the deposit. The outside limit of the deposit must be adequately delineated by drill holes.

10.3. Massena Showing

This showing is on the northern claim (507495). It is a series of gold, silver and lead quartz veins in the quartz-hornblende diorite. It appears to have only been examined by federal and provincial geological survey parties (MINFILE 092O 067). Exploration companies may have either overlooked the showing or not considered that it had enough mineral potential to warrant work. Either way, this showing should be investigated and reported on.

11. EXPLORATION RECOMMENDATIONS

The Tasco Property is a Property of Merit. It is recommended that a success-contingent phase-type exploration program of the entire property should be initiated. The Phase One objectives would be to:

- Complete a reconnaissance/prospecting of the property to identify all mineral potential targets.
- Undertake a detailed geochemical survey over all known and newly identified targets.
- Undertake an Induced Polarization (IP) survey combined with a ground magnetometer survey to fully define the extent of the sulphide mineralization and related magnetic features comprising the Copper Zone.

These objectives will provide the data necessary to plan and complete the Phase II program.

Phase II would combine trenching (if warranted) and diamond drilling of the Copper Zone, designed to properly define the dimensions of this deposit, as well as drill testing other targets defined by Phase I of the program.

11.1. Phase I Exploration Program

There are many interesting anomalies and showings that have not been adequately defined.

A reconnaissance and prospecting survey of the entire property may discover new mineralized porphyry stocks, other mineral showings and gossan zones. All data points should have their coordinates surveyed by GPS and plotted on a digital map database in UTM NAD83 coordinates.

A QA/QC field protocol should be implemented for all samples (soil, rock and core). The protocol should include duplicate samples, standard samples and blank samples. Two different certified laboratories should be used in addition to duplicate samples to check analytical control. A chain of custody procedure should be established as part of this program.

The known mineral showings (Copper Zone, Massena) should be accurately mapped and sampled. Surface sampling should be initiated where possible and then followed up by either hand-dug or excavator-dug trenches, if possible. The Massena showing may require a tote road to be constructed to gain vehicle access, if warranted. All data points should have their coordinates surveyed by GPS and plotted on a digital map database in UTM NAD83 coordinates.

The Payne Zone gossan should be accurately mapped and sampled with either hand or excavator-dug trenches. All data points should have their coordinates surveyed by GPS and plotted on a digital map database in UTM NAD83 coordinates.

A close-spaced grid (i.e. 50-meter square spacing) should be located, centered around the geochemical anomalies (Central and West Zones) and utilizing the 1990 grid if it still exists. Each station should be surveyed by a GPS in UTM NAD83 coordinates and recorded in a digital database.

The 200 by 50-meter 1990 soil grid should be extended to close off all anomalies and cover the known gossan zones. A 200 by 50-meter soil sample grid should be established over the Massena Showing to help delineate its mineral potential. Any new showings and gossan zones discovered during the reconnaissance work should have adequate 200 by 50-meter soil sample grids established over them to assist in delineating their mineral potential. All geochemical sample stations along these grids should be surveyed by a GPS in UTM NAD83 coordinates and recorded in a digital database.

The IP survey over the Copper Zone should be pole-dipole-type. The survey lines could be run north-south to take advantage of the topography but due to the apparent northwest trend of the deposit, it is recommended that lines run northeast-southwest. The main baseline should be 2 kilometers long and centered over hole 81-2, which is the deepest mineralized hole (i.e. 1 kilometer north and 1 kilometer south of hole 81-2). The dipole spacing should be 100 meters and the pole spacing should be n = 1 to 6. This configuration should give a good resolution to a 200-meter depth. Initially there should be 2 two-kilometer cross lines centered over hole 81-2 to provide an indication of the general geometry of the mineralized shells (copper and pyrite) before establishing the full grid. It is anticipated that 11 lines (22 kilometers) would cover the mineralized shells although the lines may have to be extended to completely cover the pyrite halo. A ground magnetometer survey should be completed at the same time over the IP grid as an aid to better defining subsurface geology alteration and mineralization patterns. The property geologist should be on site during the geophysics program so that survey modifications can be made in a timely manner.

11.2. Phase II Exploration Program

Contingent on the success of the Phase I program, a first pass drill program should be initiated on the property begin to to delineate the subsurface mineral potential of the Copper Zone deposit. Initially the Copper Zone should be drilled on a wide-spaced grid pattern to determine its limits. Each drill hole should be designed to penetrate the entire deposit to depth. A grid-style pattern of approximately 100 to 150 meters should be adopted so that a block model mineral resource estimate can properly define the deposit. The outside limit of the deposit must be adequately covered with drill holes. Historical drill holes could be used as intermediate holes, if core is still available, to reduce the number of holes required. Twinning of at least 2 of the drill holes should be part of the

QA/QC program. A total of 4,000 meters of drilling has been allocated for the Phase II (Copper Zone).

The Phase II part of the program would also include initial drilling of other targets defined in the Phase I program. A total of 1,000 meters of drilling has been allocated to test other targets.

11.3. Exploration Estimated Costs

The costs for the Phase I program are documented in Table 5

Table 5 - Phase I Exploration Costs

Description	*Cost($ Cdn)*
Grid preparation	10,000
Analytical costs (1000 samples)	15,000
IP survey	44,000
Magnetometer survey	5,000
Site preparation, road building and trenching	25,000
Supervision (geologist and 2 helpers)	30,000
Room and Board	8,000
Vehicle expenses	10,000
Bonding	5,000
Reclamation	5,000
Supplies, freight, sample shipments, communications	8,000
Compilation report	15,000
Subtotal	180,000
Contingency (~12%)	22,000
Total	***202,000***

The cost for the Phase II exploration is summarized in Table 6:.

Table 6 - Phase II Exploration Costs

Description	*Cost($ Cdn)*
Drilling - Copper Zone – 4,000 m @ $250/m all in	1,000,000
Drilling – Other Targets – 1,000 m @ $250/m all in	250,000
Road building and trenching	150,000
Total	***1,400,000***

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13. CERTIFICATION OF AUTHOR

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CERTIFICATE of Author

I, David Makepeace, M.Eng., P.Eng., do hereby certify that:

1. I am principal of:

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2. I graduated with a Bachelor of Applied Science degree in Geological Engineering from Queen's University at Kingston, Ontario in 1976. In addition, I have obtained a Master of Engineering degree in Environmental Engineering from the University of Alberta in 1994.

3. I am a member of the:

   - Association of Professional Engineers and Geoscientists of British Columbia
   - Association of Professional Engineers, Geologists and Geophysicists of Alberta.

4. I have worked as a geological engineer for a total of 28 years since my graduation from university.

5. I have read the definition of "qualified person" set out in National Instrument 43-101 ("NI 43-101) and certify that by reason of my education, affiliation with professional associations (as defined in NI 43-101) and past relevant work experience, I fulfill the requirements to be a "qualified person" for the purposes of NI 43-101.

6. I am the author of all sections of this technical report titled "Tasco Porphyry Property, Technical Report" and dated May 15, 2006 (the "Technical Report").

7. I have not visited the Tasco property due to snow conditions at this time.

8. I have had no prior involvement with the property which is the subject of this Technical Report.

9. I am not aware of any material fact or material change with respect to the subject matter of the Technical Report that is not reflected in the Technical Report, of which the omission to disclose would make the Technical Report misleading.

10. I am independent of the issuer applying all the tests in section 1.5 of NI 43-101.

11. I have read the revised NI 43-101 and Form 43-101FI, and the Technical Report has been prepared in compliance with that instrument and form.

12. I consent to the filing of the Technical Report with any stock exchange and other regulatory authority and any publication by them for regulatory purposes, including electronic publication in the public company files on their websites accessible by the public, of the Technical Report.

Dated at 15 Day of May, 2006.

David K. Makepeace, M.Eng., P.Eng.

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