PROSPECTUS

INITIAL PUBLIC OFFERING **DATED: May 19, 2005**

ENDURANCE GOLD CORPORATION (the "Company")

#906, 1112 West Pender Street
Vancouver, B.C. V6E 2S1

$2,000,000
Offering of Flow-Through Shares and Non Flow-Through Units

The Company hereby offers for sale (the "Offering') to the public of up to 4,800,000 flow-through common shares (the "FT Shares") at a price of $0.25 per FT Share. The FT Shares will be issued as "flow-through" shares under the *Income Tax Act (Canada)* (the "Tax Act") and up to 3,200,000 units (the "Units") of the Company at a price of $0.25 per Unit. Each Unit will consist of one non-flow-through common share (the "Shares") in the capital of the Company and one share purchase warrant (the "Warrants"). Each Warrant will entitle the holder to purchase for a period of 24 months from the closing of the Offering (the "Exercise Period"), one common share (the "Warrant Shares") of the Company at a price of $0.35 per share during the first 12 months of the Exercise Period and at a price of $0.45 thereafter. The Company may force the exercise of the Warrants if during the second year of the Exercise Period, if the closing price of the common shares of the Company (the "Common Shares") on the TSX Venture Exchange (the "Exchange") equals or exceeds $0.90 per Common Share for 20 consecutive trading days. See "Description of Securities" and "Plan of Distribution".

Haywood Securities Inc. (the "Agent") will be issued compensation options (the "Agent's Compensation Options") equal in number to 10% of the aggregate number of Units and FT Shares sold. Each Agent's Compensation Option entitles the Agent to purchase one Unit (the "Agent's Unit") at a price of $0.25 per Agent's Unit for a period of 24 months from the date of the closing of the Offering (the "Closing"). The Common Shares and Warrants to be acquired by the Agent by the exercise of the Agent's Compensation Options shall be voluntarily restricted from sale for a period of three months following the Closing.

The Agent will receive a corporate finance fee (the "Corporate Finance Fee") consisting of a cash payment of $20,000 plus GST and 75,000 Units (the "Fee Units") plus GST, to be paid and issued on the Closing.

The Warrants issued to the Agent pursuant to the exercise of the Agent's Compensation Options and those included in the 75,000 Fee Units are referred to collectively as the "Agent's Warrants".

	No. of Common Shares	Price to Public[1]	Agent's Commission[2]	Net Proceeds to Company[3]
Per Unit	n/a	$0.25	$0.01875	$0.23125
Total Offering	3,200,000[4]	$800,000	$60,000[5]	$740,000
Per FT Share	n/a	$0.25	$0.01875	$0.23125
Total Offering	4,800,000[4]	$1,200,000	$90,000[4]	$1,110,000
Total Net Proceeds	**8,000,000**	**$2,000,000**	**$150,000**	**$1,850,000**

[1] The prices of the Units and the FT Shares have been determined by the Company in negotiation with the Agent.

[2] The Agent will be paid a commission (the "Agent's Commission") equal to 7.5% of the gross proceeds from the sale of the FT Shares and Units, payable in cash or Units, at the option of the Agent, on the Closing.

[3] Before deduction of expenses of this Offering estimated not to exceed $120,000, of which $25,000 has been paid to the Agent by the Company, and the cash component of the Corporate Finance Fee in the amount of $20,000 plus GST payable by the Company on the Closing. See item 4 "Use of Proceeds".

[4] Does not include Common Shares issuable upon exercise of Warrants.

[5] The Agent will also receive Agent's Compensation Options, equal in number to 10% of the aggregate number of Units and FT Shares sold. Each Agent's Compensation Option will entitle the Agent to purchase one Agent's Unit at the price of $0.25 per Agent's Unit, for a period of 24 months from the date of the Closing. The securities acquired by the Agent by the exercise of the Agent's Compensation Options shall be voluntarily restricted from sale for a period of three months from the date of Closing. The Agent will also receive, as part of the Corporate Finance Fee, 75,000 Units (the "Fee Units") upon the Closing. See item 16 "Plan of Distribution".

THERE IS NO MARKET THROUGH WHICH THESE SECURITIES MAY BE SOLD AND PURCHASERS MAY NOT BE ABLE TO RESELL SECURITIES PURCHASED UNDER THE PROSPECTUS. THE COMPANY HAS APPLIED TO LIST ITS COMMON SHARES OFFERED UNDER THIS PROSPECTUS ON THE EXCHANGE. LISTING IS SUBJECT TO THE COMPANY FULFILLING ALL OF THE LISTING REQUIREMENTS OF THE EXCHANGE. SEE ITEM 16 "PLAN OF DISTRIBUTION".

AN INVESTMENT IN A NATURAL RESOURCE ISSUER INVOLVES A SIGNIFICANT DEGREE OF RISK. THE DEGREE OF RISK INCREASES SUBSTANTIALLY WHERE THE COMPANY'S PROPERTIES ARE IN THE EXPLORATION AS OPPOSED TO THE DEVELOPMENT STAGE. SEE ITEM 18 "RISK FACTORS".

NO PERSON IS AUTHORIZED BY THE COMPANY TO PROVIDE ANY INFORMATION OR TO MAKE ANY REPRESENTATION OTHER THAN THOSE CONTAINED IN THIS PROSPECTUS IN CONNECTION WITH THIS ISSUE AND THE SALE OF THE SECURITIES OFFERED BY THE COMPANY.

THE AGENT CONDITIONALLY OFFERS THE FT SHARES AND UNITS FOR SALE ON A COMMERCIALLY REASONABLE EFFORTS BASIS, SUBJECT TO PRIOR SALE, IF, AS AND WHEN ISSUED BY THE COMPANY AND ACCEPTED BY THE AGENT IN ACCORDANCE WITH THE TERMS AND CONDITIONS CONTAINED IN THE AGENCY AGREEMENT REFERRED TO UNDER ITEM 16 "PLAN OF DISTRIBUTION" AND SUBJECT TO APPROVAL OF CERTAIN LEGAL MATTERS ON BEHALF OF THE COMPANY BY VECTOR CORPORATE FINANCE LAWYERS AND ON BEHALF OF THE AGENT BY ANFIELD SUJIR KENNEDY & DURNO.

UPON COMPLETION OF THIS OFFERING, 9,502,752 COMMON SHARES WILL BE HELD BY THE PUBLIC, REPRESENTING 56.94% OF THE 16,690,086 COMMON SHARES THEN ISSUED AND OUTSTANDING COMMON SHARES AS COMPARED TO 7,187,334 COMMON SHARES THAT WILL THEN BE BENEFICIALLY OWNED BY PROMOTERS, INSIDERS, HOLDERS OF PERFORMANCE COMMON SHARES OR ESCROWED SECURITIES, AS A GROUP, REPRESENTING 43.06% OF THE 16,690,086 THEN ISSUED AND OUTSTANDING COMMON SHARES. SEE ITEM 11 "ESCROWED SECURITIES".

THE COMPLETION OF THIS OFFERING IS SUBJECT TO A MINIMUM SUBSCRIPTION OF $2,000,000. IN THE EVENT THAT THE MINIMUM SUBSCRIPTION IS NOT ATTAINED, ALL FUNDS RAISED HEREUNDER WILL BE REFUNDED TO THE PURCHASERS IN FULL, WITHOUT INTEREST OR DEDUCTION. THE OFFERING WILL CEASE IF THE MINIMUM SUBSCRIPTION IS NOT REACHED WITHIN 90 DAYS OF THE DATE OF THE FINAL PROSPECTUS RECEIPT.

THIS PROSPECTUS ALSO QUALIFIES THE ISSUE AND DISTRIBUTION OF THE AGENT'S COMPENSATION OPTIONS, THAT PART OF THE AGENT'S COMMISSION WHICH MAY BE PAID IN THE FORM OF UNITS, 75,000 FEE UNITS WHICH WILL BE PAID AS PART OF THE CORPORATE FINANCE FEE AND 120,000 COMMON SHARES TO BE ISSUED IN CONNECTION WITH THE PROPERTY ACQUISITION AGREEMENT IN RESPECT OF THE NECHAKO GOLD PROJECT. THE AGENT MAY RESELL ANY AGENT'S COMMON SHARES ACQUIRED ON THE EXERCISE OF THE AGENT'S COMPENSATION OPTIONS OR ANY COMMON SHARES ACQUIRED UPON EXERCISE OF THE AGENT'S WARRANTS WITHOUT FURTHER QUALIFICATION, BUT PURSUANT TO THE AGENCY AGREEMENT MAY ONLY DO SO SIX MONTHS FOLLOWING THE CLOSING. THE EXERCISE PRICE PAYABLE UPON EXERCISE OF THE AGENT'S

COMPENSATION OPTIONS OR THE AGENT'S WARRANTS WILL BE PAID TO THE COMPANY AND USED FOR ITS CORPORATE PURPOSES.

The Company will use an amount equal to the gross proceeds from the sale of the FT Shares to incur certain types of Canadian exploration expense ("CEE") as defined in the Tax Act and will renounce such CEE in favour of subscribers for FT Shares effective on or before December 31, 2005. This renunciation will entitle purchasers resident in Canada to deduct for federal income tax purposes 100% of the CEE which the Company has renounced in their favour. See item 4 "Use of Proceeds" and item 17 "Canadian Income Tax Considerations".

Subscriptions for FT Shares and Units will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. All subscription proceeds will be deposited in trust with the Agent until the Closing. It is expected that certificates in definitive form representing the FT Shares and the Common Shares and Warrants comprising the Units, issued pursuant to the Offering will be available for delivery on the Closing, which is expected to occur on or about June 15, 2005 but in any event no later than August 25, 2005 (the "Closing Date"). The Offering will not continue for a period of more than 90 days after the date of the receipt for the final prospectus. See item 16 "Plan of Distribution".

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TABLE OF CONTENTS

LIST OF FIGURES

LIST OF TABLES

PROSPECTUS SUMMARY

The following is a summary of the principal features of this distribution and should be read together with the more detailed information and financial data and statements contained elsewhere in this Prospectus. Capitalized terms used in this summary are defined elsewhere in the Prospectus.

The Company

Endurance Gold Corporation (the "Company") was incorporated on December 16, 2003 under the *Canada Business Corporations Act*. The Company continued under the *Business Corporations Act* (British Columbia) on August 16, 2004. The Company is engaged primarily in the business of evaluating, acquiring and developing mineral properties of merit throughout North America. See item 3 "Narrative Description of the Business". The natural resource being targeted is gold.

Principal Properties

The Company has a 100% interest in the Dogpaw Property which covers approximately 9,888 hectares and is situated 58 kilometres south-southeast of Kenora, Ontario. See item 3.1(A) "Dogpaw Property".

The Company also has an option to earn an undivided 60% interest in the BOB, JMD and Nechako claim groups, which cover approximately 3,347 hectares and are located in the Cariboo Mining District of central British Columbia, and which are referred to collectively as the "Nechako Gold Project". See item 3.1(B) "Nechako Gold Project".

The Offering

Offering: **Up to 3,200,000 Units (the "Units")**
Up to 4,800,000 Flow-Through Shares (the "FT Shares")
(the Units and FT Shares collectively, the "**Offering**").

Price: $0.25 per Unit and $0.25 per FT Share. See item 16 "Plan of Distribution".

This Prospectus also qualifies the issuance of the Agent's Compensation Options, any Units issued to the Agent pursuant to the Agent's Commission, the 75,000 Fee Units issued to the Agent as part of the Corporate Finance Fee, and 120,000 Common Shares to be issued in connection with the property acquisition agreement in respect of the Nechako Gold Project. See item 16 "Plan of Distribution" and item 3.1B "Nechako Gold Prospect".

Gross Proceeds: $2,000,000

Available Funds: The estimated net proceeds to be derived from the sale of the securities offered hereunder, before deduction of the expenses of the Offering estimated to be $120,000, of which $25,000 has been paid to the Agent by the Company, and assuming that the Agent's Commission will be paid in cash, will be $1,850,000, which when added to the Company's working capital deficiency as at April 30, 2005 of approximately $12,000, will total $1,838,000.

The Company will apply the available funds as follows:

Use of Proceeds		**Amount**
1.	Exploration Programs:	
	Dogpaw Property – Phase 1	$277,600[(1)]
	Nechako Gold Project – Phase 1	$124,850[(1)]
2.	Administrative expenses in the amount of $26,000 per month for the Company over a period of 12 months	$312,000
3.	Estimated expenses of this issue (including legal, audit, printing, and listing fees)	$80,000

4.	To pay balance of Agent's selling expenses (estimated)	$15,000
5.	To provide working capital, to provide a reserve for further work on the Dogpaw Property and the Nechako Gold Project, and to identify additional potential property acquisitions.	$1,028,550[1]
	TOTAL	**$1,838,000**

(1) The gross proceeds from the sale of the FT Shares (up to $1,200,000) will be used by the Company to incur CEE, which will be renounced to the purchasers of FT Shares.

See item 4 "Use of Proceeds".

Income Tax Considerations

The Tax Act entitles the subscribers for FT Shares who are individuals to claim in the computation of their federal income tax a deduction equal to 100% of the CEE incurred by the Company in respect of the amount raised by the Company in the Offering which is allocated to the FT Shares and renounced in their favour. See item 17 "Canadian Income Tax Considerations".

Risk Factors

An investment in the securities offered hereunder should be considered highly speculative. The success of the Company's business is subject to a number of factors, including risks normally encountered in the mining industry such as operating hazards and risks, exploration risks, increasing environmental regulation, competition with companies having greater resources, lack of operating cash flow, foreign currency fluctuations, fluctuation of precious metal prices and other factors. See item 18, "Risk Factors".

Both of the Company's properties are in the exploration phase. If the exploration programs being carried out do not justify further work, the Company may abandon its entire interest in one or both properties and the exploration expenses will be written off.

Neither of the Company's properties contains a known body of commercial ore and the Company's planned work programs will be exploratory in nature.

Key Personnel

Management:	Duncan McIvor	President, Chief Executive Officer and Director
	H. Ross Arnold III	Director
	Richard Gilliam	Director
	J. Christopher Mitchell	Director and Chief Financial Officer

Duncan McIvor P.Geo. is a professional geologist based in Vancouver, British Columbia. Mr. McIvor has over 25 years' experience in the mining industry throughout the world.

Richard Gilliam is the President and owner of Cumberland Resources Corporation, a company based in Virginia which produces annually more than 8.5 million tons of coal. Mr. Gilliam has over 30 years' experience in the coal mining industry in the eastern United States.

Ross Arnold is the Chief Executive Officer of a private investment and management company based in Atlanta, Georgia. The company provides financial and operational advisory services to a diversified portfolio of companies. Mr. Arnold has over 30 years' experience in the financial services industry.

J. Christopher Mitchell P. Eng. is a business consultant with more than 30 years' experience in the mining industry. Mr. Mitchell is President and Chief Financial Officer of First Point Minerals Corp. Mr. Mitchell was Senior Vice President of Viceroy Resource Corp., Executive Vice President and Chief Financial Officer of Orvana Minerals Corp. and Constellation Copper Corporation.

See item 13 "Directors and Officers".

Capitalization

At the date of this Prospectus, there are 8,495,086 Common Shares issued and outstanding. An additional 120,000 Common Shares will be issued on the Closing Date in connection with the acquisition of an interest in the Nechako Gold Project. Upon completion of the Offering, there will be 16,690,086 Common Shares issued and outstanding, assuming that all of the Agent's Commission will be paid in cash. The authorized capital of the Company is an unlimited number of Common Shares without par value. 1,050,000 Common Shares are subject to options in favour of the directors, senior officers and employees of the Company. An additional 4,875,000 Common Shares are issuable pursuant to the Warrants, the exercise of the Agent's Compensation Options and the exercise of the Agent's Warrants.

See item 8 "Consolidated Capitalization" and item 9 "Options to Purchase Securities".

Summary of Financial Information

Prior to this Offering, the Company had raised $694,974 from the sale of Common Shares for cash during its stage as a private company. The audited balance sheet as at December 31, 2004 shows $583,266 as having been invested in mineral properties as at that date, all of which was paid in connection with the acquisition, exploration and development of the Company's Dogpaw Property.

From the date of incorporation (December 16, 2003) to December 31, 2004, the Company earned no revenue and incurred general and administrative expenses in the amount of approximately $148,592. During this period the Company recorded a net loss of $148,592, a basic and diluted loss per Common Share of $0.05, and at December 31, 2004 had assets recorded at $659,069.

The Company's audited financial statements for the period from the date of incorporation (December 16, 2003) to December 31, 2003 and for the year ended December 31, 2004, together with the auditor's report thereon are attached hereto and form a part hereof. See item 27 "Financial Statements".

CONVERSION TABLE

In this prospectus a combination of Imperial and metric measures are used with respect to mineral properties located in Canada. Conversion rates from Imperial measure to metric and from metric to Imperial are provided below:

Imperial Measure =	**Metric Unit**	**Metric Measure =**	**Imperial Unit**
2.47 acres	1 hectare	0.4047 hectares	1 acre
3.28 feet	1 metre	0.3048 metres	1 foot
0.62 miles	1 kilometre	1.609 kilometres	1 mile
0.032 ounces (troy)	1 gram	31.1 grams	1 ounce (troy)
1.102 tons (short)	1 tonne	0.907 tonnes	1 ton
0.029 ounces (troy)/ton	1 gram/tonne	34.28 grams/tonne	1 ounce (troy/ton)

GLOSSARY

Adularia	A moderate to low temperature mineral of the alkali feldspar group, a common accessory mineral found in low sulphidation quartz veins.
Ag	Silver.
Alteration	Changes in the chemical or mineralogical composition of a rock caused by hot aqueous solutions.
As	Arsenic.
Assay	An analysis to determine the proportions of metals or other constituent elements in a sample.
Au	Gold.
Ba	Barium.
Bedrock	Solid rock exposed at the surface of the earth or overlain by unconsolidated material, weathered rock or soil.
Breccia	A rock composed of angular fragments.
Crystal tuff	A tuff mainly comprised of individual crystals
Dacite	A fine grained felsic extrusive rock.
Epithermal	A hydrothermal, or fluid-borne mineral deposit and associated alteration formed within about 1 kilometres below the earth's surface and in the temperature range of 50° to 200° C, occurring mainly as veins.
Felsic rock	An igneous rock containing abundant light-colored minerals such as quartz and alkali feldspar.
Float	Isolated or displaced fragments of rock.
g/t or **gpt**	Grams per tonne, equivalent to parts per million.
Geophysical exploration	The use of geophysical techniques - electric, seismic, gravity, magnetic or thermal - in the search for economically valuable mineral deposits.
GPS	Geographic Positioning System. A relatively accurate method of calculating position on the earth's surface utilizing satellite signals.
Ground magnetometer survey	A geophysical survey based on measurement of the magnetic field intensity on the surface of the earth, used to distinguish rock characteristics.
Gradient array	A type of IP geophysical technique used in an IP geophysical survey as defined below.
Ha.	Hectare, an area totaling 10,000 square meters, e.g. an area 100 meters by 100 meters.
High sulphidation	A classification of hydrothermal mineral deposits or alteration containing relatively high content of sulfur-rich mineral species.

ICP	Inductively Coupled Plasma. A geochemical analytical method where a sample solution is induced into the core of an inductively coupled argon plasma.
Igneous rock	A rock solidified from molten or partly molten material (magma), one of the three main classes of earth-forming rocks.
IP geophysical survey	Induced Polarization. A type of ground geophysical survey used to explore for sulphide deposits, that can be effective with veins.
Kspar	Potassium feldspar
Low sulphidation	A classification of hydrothermal mineral deposits or alteration containing relatively low content of sulfur-rich minerals, often used to describe mineral deposits of quartz-adularia association.
Ma	Million years
Massif	A massive topographic and structural feature commonly formed of rocks more rigid than those of its surroundings.
Mineralization	The presence of minerals of possible economic value and also the process by which concentration of economic minerals occurs.
Ore	A mineral or aggregate of minerals which can be commercially mined at a profit.
Ounces per tonne	Measure by weight within host material of gold or silver metal, abbreviated oz/t.
Outcrop	A geological formation or structure that appears at the surface of the earth; bedrock that is not covered.
Pole-Dipole IP geophysical survey	IP readings which measure electrical charges passed through a volume of rock, which yield data on mineral content.
Ppb	Parts per billion.
Protolith	The original rock-type; a term applied to rocks which have been subjected to alteration or metamorphism to the extent that the original rock type is difficult to determine.
Pyroclastic rock	A rock consisting of solid material as fragments or crystals explosively ejected from a volcanic vent.
Qualified Person	An individual who (a) is an engineer or geoscientist with at least five years of experience in mineral exploration, mine development or operation or mineral project assessment, or any combination of these; (b) has experience relevant to the subject matter of the mineral project and the technical report; and (c) is a member in good standing of a professional association as defined in National Instrument 43-101, s. 1.2.
Quartz	A common rock-forming mineral composed of silica and oxygen.
Resistivity	Electrical resistivity, one of the physical properties measured by an IP geophysical technique.
Rhyolite	A type of igneous rock which commonly contains quartz and potassium feldspar crystals.
Sb	Antimony.
Subcrop	A bedrock formation which is partially exposed and appears to be located in place.

Sulphides	A class of minerals composed of one or more metals and sulphur such as pyrite, sphalerite and galena.
Tensional	Resulting from stresses that tend to pull a body apart.
Tuff	A general term for all consolidated pyroclastic volcanic rocks.
Vein	A mineral deposit formed as hot fluids pass through fractures in rock. The hot fluid may contain dissolved minerals which may pass out of solution and are deposited, filling or partly filling the fractures, forming veins.
Volcanic rock	A finely crystalline or glassy igneous rock resulting from volcanic action at or near the earth's surface, either ejected explosively, i.e. pyroclastic, or extruded as lava.

1. CORPORATE STRUCTURE

1.1 Name and Incorporation

The Company was incorporated on December 16, 2003 under the name "6172342 Canada Ltd.", under the *Canada Business Corporations Act*. On August 16, 2004, the Company was continued under the *Business Corporations Act* (British Columbia) and changed its name to its present name.

The head office of the Company is situated at:

#906, 1112 West Pender Street
Vancouver, B.C. V6E 2S1
Canada

and its registered and records office is situated at:

#1040, 999 West Hastings Street
Vancouver, B.C. V6C 2W2
Canada

1.2 Intercorporate Relationships

As at the date of this Prospectus, the Company does not have any subsidiaries.

2. GENERAL DEVELOPMENT OF BUSINESS

2.1 Three Year History

The Company commenced operations in 2003. The principal business of the Company is the acquisition, exploration and, if warranted, development of mineral properties of merit, with a focus on the exploration and discovery of economic gold deposits in North America. The Company has interests in two exploration properties situated in Canada, namely the Dogpaw Property and the Nechako Gold Project.

The Company has focused most of its activities since incorporation on the Dogpaw Property, Ontario. By non-binding letter of intent dated December 5, 2003 the Company acquired the original 82 claims totaling 1,032 units/16,512 hectares comprising the Dogpaw Property from Cunniah Lake Inc., Stephen Stares, Michael Stares and Kenneth Fenwick (the "Vendors"). The non-binding letter of intent was subsequently orally confirmed as binding, and the Vendors and the Company entered into a shareholders' agreement dated December 30, 2003 (the "Shareholders' Agreement"). The purchase price for the claims comprising the Dogpaw Property was 2,000,000 Common Shares. After target prioritization, on October 15, 2004 the Dogpaw Property was reduced to 54 claims totaling 618 units/9,888 hectares. A limited regional prospecting and reconnaissance mapping and sampling program on the Dogpaw Property was completed by the Vendors during the period September 15 through November 3, 2003. Four areas of significant gold mineralization were defined on the Dogpaw Property, two of which were known as historical prospects and two of which represent new discoveries.

The Company also holds an option to earn an undivided 60% interest in the Nechako Gold Project, British Columbia. The Nechako Gold Project consists of 21 claims totaling 157 claim units/3347 hectares.

The Company intends to seek and acquire additional mineral properties worthy of exploration and development in North America.

2.2 Significant Acquisitions and Significant Dispositions

The significant acquisitions by the Company since incorporation were the acquisition of its interests in the Dogpaw Property and the Nechako Gold Project.

As at the date of this Prospectus, the Dogpaw Property consists of 54 mining claims totalling 618 units and 9,888 hectares. The purchase price for the Dogpaw Property was the issuance to the Vendors of 2,000,000 Common Shares at a deemed price of $0.107 per Share.

Pursuant to the Shareholders' Agreement, each of the Vendors agreed that, at any time before December 30, 2006, should they stake or acquire, directly or indirectly, a right to or interest in any mining claim which is located, wholly or partly, within the "Area of Interest" as that term is defined in the Shareholders' Agreement, they shall give notice to the Company of such staking or acquisition, the Company may, within 60 days, require that the mineral properties and the right or interest acquired be included in and thereafter form part of the Dogpaw Property. The Shareholders' Agreement also provides for a means of financing the operations of the Company prior to the first public offering of the securities of the Company.

As at the date of this Prospectus, the Nechako Gold Project property consists of 21 mineral claims totalling 157 units and 3347 hectares. By agreement dated November 3, 2004, as amended May 2, 2005 (the "Option Agreement"), the Company was granted an exclusive option to acquire an undivided 60% interest in the Nechako Gold Project from Amarc Resources Ltd. ("Amarc"). The original property consisted of 16 claims totalling 52 units/1300 hectares. In order to earn the interest in the Nechako Gold Project, the Company must make $250,000 in exploration expenditures and issue to Amarc 250,000 Common Shares at a deemed price of $0.25 per Common Share. Subsequent to the date of the Option Agreement, an additional 105 units covering 2,047 hectares were included in the Nechako Gold Project under an area of mutual interest provision in the Option Agreement.

The aggregate annual cost to maintain the Dogpaw Property in good standing is approximately $246,478. The aggregate annual assessment obligation to maintain the Nechako Gold Project in good standing is approximately $13,400. The claims comprising each of the properties are all in good standing.

Cunniah Lake Inc., one of the Vendors of the Dogpaw Property, is a privately owned Georgia (USA) company which is owned by Ross Arnold, as to 45%, Richard Gilliam, as to 45% and James Bond, as to 10%. Messrs. Arnold and Gilliam are both directors of the Company. See item 13.5 "Directors and Officers – Conflict of Interest" and item 20 "Interest of Management and Others in Material Transactions".

Amarc, the Optionor of the Nechako Gold Project, is a public company whose shares trade on the Exchange. The Company deals at arm's length with Amarc.

The Dogpaw Property and the Nechako Gold Project comprise the only significant assets held by the Company.

2.3 Trends

The Company anticipates that the precious metals markets will remain strong for the next several years, due in part to geopolitical factors and a continued weakening of the United States dollar in relation to other major currencies. There is no other trend, commitment, event or uncertainty that is known to management and is reasonably expected to have a material effect on the Company's business, financial condition or results of operations.

3. NARRATIVE DESCRIPTION OF THE BUSINESS

3.1 General – Stated Business Objectives

The principal business of the Company is the acquisition, exploration and development of mineral resource properties. The net proceeds of the Offering will be used to carry out the first phase of work on the Dogpaw Property, the first phase of work on the Nechako Gold Project, for administrative costs for the next 12 months and for working capital. The gross proceeds of the sale of the FT Shares will be used to incur CEE, and will be renounced to the subscribers effective on or before December 31, 2005. The Company's business plan includes carrying out "grass-roots" exploration for gold properties in Canada, and to advance such properties through further exploration in order to bring the properties to a stage where the Company can attract the participation of a major resource company which has the expertise and financial capability to take such properties to commercial production.

A. __Dogpaw Property, Kenora, Ontario__

In September 2004, the Company contracted Charles Blackburn, P. Geo., of Blackburn Geological Services and J. Garry Clark, P. Geo. of Clark Expl. Consulting Inc. to complete a National Instrument 43-101 ("NI 43-101") compliant report on the Dogpaw Property, which is material to the Offering. Messrs. Blackburn and Clark are at arm's length to the Company. Messrs. Blackburn and Clark are Qualified Persons under the requirements of NI 43-101.

The Company's interest in the Dogpaw Property is the subject of a report (the "Blackburn/Clark Report"), dated October 2004, prepared by Messrs. Blackburn and Clark. The discussions set out herein are extracted from, or are accurate paraphrasings of, sections of the Blackburn/Clark Report. The exploration activities carried out by the Company were directly supervised by Duncan McIvor, the Company's President and a Qualified Person as defined by NI 43-101.

Property Description and Location of the Dogpaw Property

The Dogpaw Property is located approximately 58 kilometres south-southeast of the town of Kenora, in northwestern Ontario (Figure 1). The large property, comprising 54 claims totalling 618 units and 9,888 hectares, is located largely within NTS Map Sheet 52F/05SW, with small portions of the Dogpaw Property extending into adjacent NTS Map Sheets 52F/05SE and 52F/04NW. The claims appear largely on the Dogpaw Lake Area Mining Tenure Map G-2613, and on portions of the Rowan Lake Area Map G-2639, the Tweedsmuir Township Map G-1357, and the Heronry Lake Map G-2621.

The approximate centre of the Dogpaw Property is located at latitude 49 degrees, 18 minutes, 54 seconds north, and longitude 93 degrees, 52 minutes, 4 seconds west. The same centre point, using UTM Co-ordinates (NAD 83, Zone 15) lies at 5462837m North and 436924m East.

The claims comprising the Dogpaw Property are illustrated in Figure 2, and tabulated in Table 1 by claim number, size, current due date, and work required by that due date in order to keep the claims in good standing under the *Mining Act* (Ontario).

FIGURE 1: LOCATION MAP OF DOGPAW PROPERTY, ONTARIO

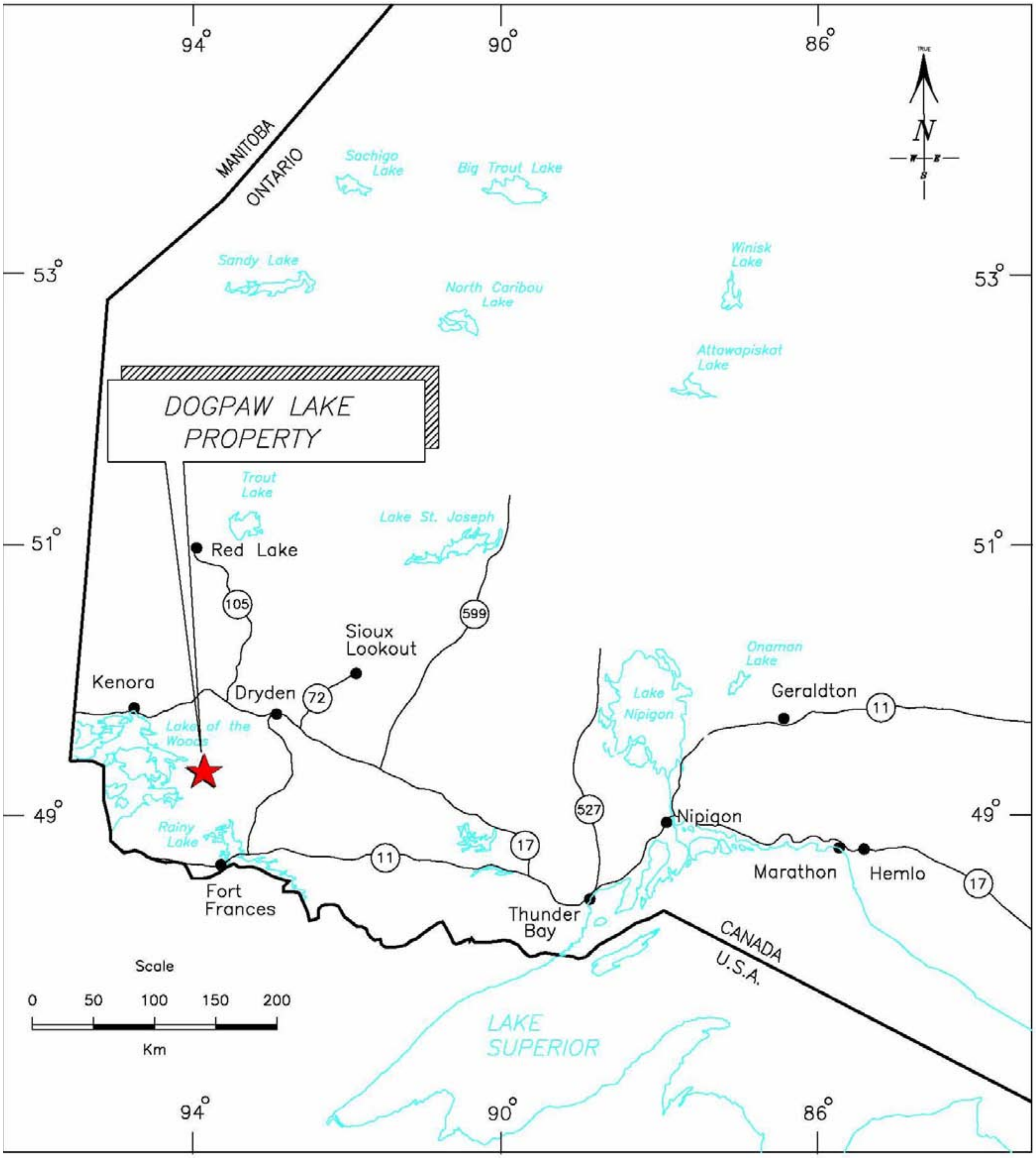


FIGURE 1 Regional–Scale Location Map

FIGURE 2: CLAIM MAP, DOGPAW PROPERTY, ONTARIO

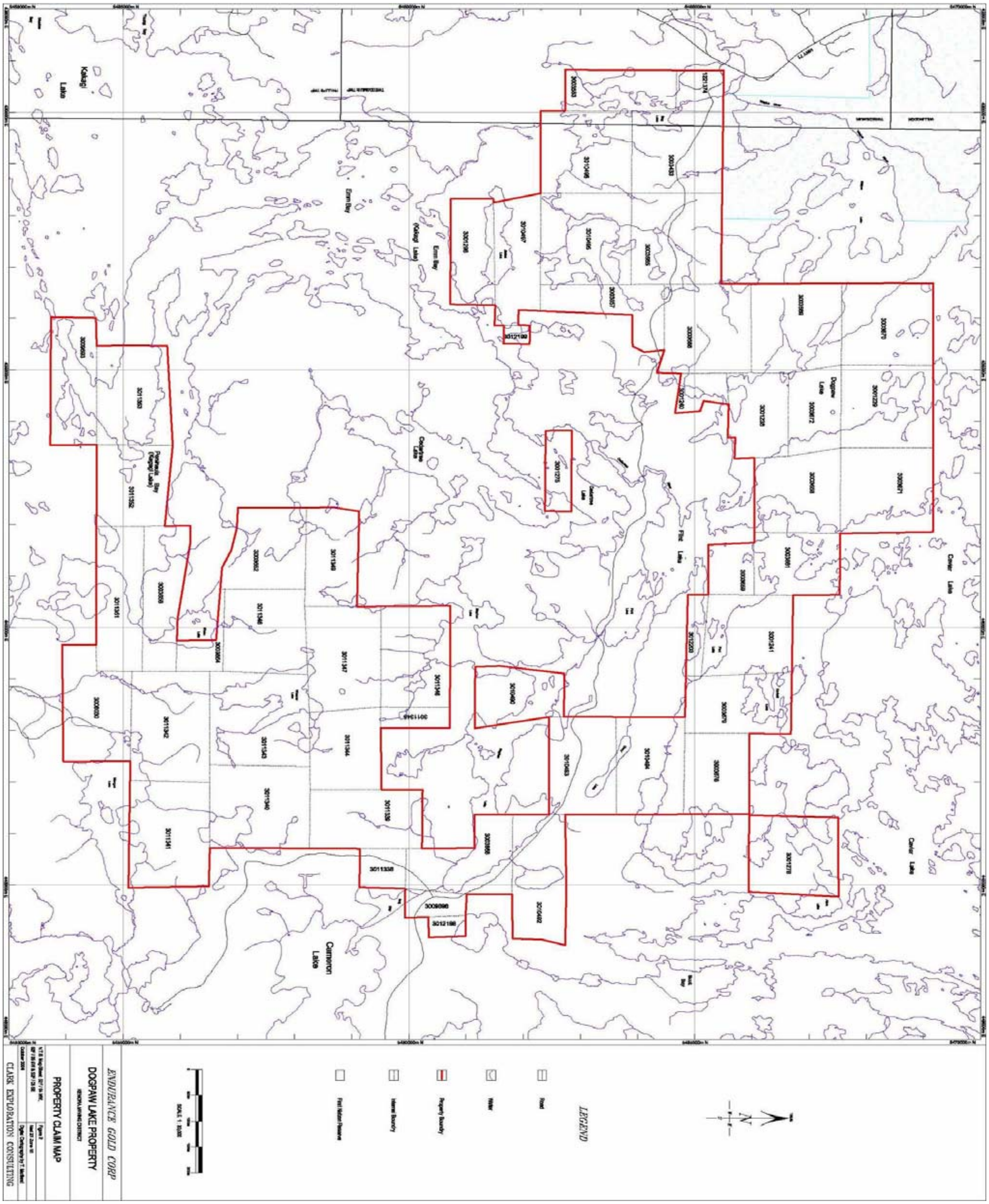


TABLE 1: DOGPAW PROPERTY CLAIM SUMMARY

CLAIM NO.	SIZE (UNITS)	DATE DUE	WORK REQUIRED	CLAIM NO.	SIZE (UNITS)	DATE DUE	WORK REQUIRED
1221374	4	26-Sep-06	$1,600	3009693	12	19-Dec-05	$4,800
3001238	9	02-Jul-06	$3,600	3009698	3	19-Dec-05	$1,200
3001239	16	02-Jul-06	$6,400	3010490	9	15-Oct-05	$3,600
3001240	4	02-Jul-06	$1,600	3010492	15	15-Oct-05	$6,000
3001241	16	02-Jul-06	$6,400	3010493	12	15-Oct-05	$4,800
3001275	4	15-Oct-05	$878	3010494	12	15-Oct-05	$4,800
3001278	16	02-Jul-06	$6,400	3010495	16	15-Oct-05	$6,400
3001298	10	09-Aug-06	$4,000	3010496	16	15-Oct-05	$6,400
3003433	16	03-Sep-05	$6,400	3010497	13	15-Oct-05	$5,200
3003583	10	22-Apr-06	$4,000	3011338	4	19-Dec-05	$1,600
3003652	14	15-Oct-05	$5,600	3011339	15	19-Dec-05	$6,000
3003654	6	15-Oct-05	$2,400	3011340	16	19-Dec-05	$6,400
3003655	14	15-Oct-05	$5,600	3011341	15	19-Dec-05	$6,000
3003657	12	15-Oct-05	$4,800	3011342	15	19-Dec-05	$6,000
3003658	16	15-Oct-05	$6,400	3011343	16	19-Dec-05	$6,400
3003659	4	15-Oct-05	$1,600	3011344	12	19-Dec-05	$4,800
3003665	16	15-Oct-05	$6,400	3011345	3	19-Dec-05	$1,200
3003666	16	15-Oct-05	$6,400	3011346	15	19-Dec-05	$6,000
3003668	10	15-Oct-05	$4,000	3011347	15	19-Dec-05	$6,000
3003669	16	15-Oct-05	$6,400	3011348	12	19-Dec-05	$4,800
3003670	16	15-Oct-05	$6,400	3011349	8	19-Dec-05	$3,200
3003671	16	15-Oct-05	$6,400	3011351	14	19-Dec-05	$5,600
3003672	8	15-Oct-05	$3,200	3011352	12	19-Dec-05	$4,800
3003678	12	15-Oct-05	$4,800	3011353	12	19-Dec-05	$4,800
3003679	15	15-Oct-05	$6,000	3012198	1	22-Apr-06	$400
3003681	10	15-Oct-05	$4,000	3012199	1	22-Apr-06	$400
3006030	14	22-Apr-06	$5,600	3012203	4	22-Apr-06	$1,600
				TOTALS	618		246,478

Accessibility, Climate, Local Resources, Infrastructure and Physiography

Access to the Dogpaw Property varies from excellent to poor, as befits a property of this size. The paved, all season Highway 71 runs north-south along the western boundary of the Dogpaw Property. From there, the gravel, but well maintained, Cameron Lake Road extends east from the Highway across the central portion of the Dogpaw Property, to the Cameron Lake Mine, a distance of approximately 25 kilometres. The road is privately owned and maintained by Nuinsco Resources Ltd., and a permit is required to access and travel the road. The road provides excellent access both to the west central and east central portions of the Dogpaw Property (including the Bag Lake Area), as well as providing access points to a series of lakes (Stephen Lake, Cedartree Lake, Flint Lake) from which much of the central portions of the Dogpaw Property, including the Starlyght Showing Area, can be reached via boat during summer months, and snowmobile during the winter season.

Location and access maps to the Property are shown in Figures 1 and 2.

The northern portion of the Dogpaw Property can be accessed through Dogpaw Lake via boat and snowmobile. A launching point on Dogpaw Lake is located on Whitefish Bay First Nation Reserve 33A, with all season road access extending east from Highway 71. The southernmost portions of the Dogpaw Property are accessible by boat and snowmobile through Kakagi Lake, which straddles the southern boundary of the Dogpaw Property. There are several access points to this lake from Highway 71, which runs along its western shore.

The climate of the area is typical of northwestern Ontario, and described as continental. The mean daily average temperature is 2.7 degrees Celsius, ranging from a high of 19.5 degrees Celsius in July, to a low of -17.3 degrees Celsius in January. Average annual precipitation in the area is 661.8 millimetres, with approximately 500 millimetres of rain and 158 cm of snow per year. Winter conditions typically extend from early to mid-November through late March, with freeze-up in mid-November and break-up in early April.

The area has well developed services, with the City of Kenora (population 16,000) located 58 kilometres to the north-northwest. Almost all supplies are readily available in Kenora, or Winnipeg, another 200 kilometres west. Kenora itself has a local diamond drilling contractor, and helicopter base, as well as several fixed wing bases with both float and ski equipped aircraft.

The Dogpaw Property has more than adequate water supply, and grid power runs along Highway 71.

The Dogpaw Property is one of moderate relief, ranging in elevation from 326± metres at Dogpaw Lake level to a high of 439 metres in the uplands south of Stephen Lake. Approximately 25% of the Dogpaw Property area is exposed outcrop, with the remainder either thin soil and till cover, or wetlands. Vegetation is typically a mixture of birch, pine and spruce, with the wetter areas containing cedar and alder.

Prospecting History

Unless more specifically referenced, the data and information presented in this section were obtained by Messrs. Blackburn and Clark from the Assessment Files in the Kenora Resident Geologist's Office.

Mineral exploration records that relate to the Dogpaw Property commence in 1944. Little reliable information is available prior to this date, though undoubtedly search for gold commenced in the general area in the late 1800s. "Numerous gold deposits were discovered at that time and two short-lived mines were developed, the Gold Panner Mine on Caviar Lake in 1899 and the Flint Lake Mine on Flint Lake in 1901." (Davies and Morin 1976a). The only production of gold was reportedly (Beard and Garrett 1976) 70 ounces from the Gold Panner Mine.

History of exploration on the Dogpaw Property can be broken down into five periods, separated by periods of inactivity varying between 16 years and 4 years: 1940s (1944 to 1947); early 1960s (1961, 1962); late 1960s to mid 1970s (1968 to 1975); the 1980s (1980 to 1989); and the mid 1990's to the present day (1996 to present). The targets of exploration have been gold and base metals. The Dogpaw Property, by virtue of its size, covers a large number of prospects which were the site of exploration activities by numerous parties over the years.

Cunniah Lake Inc. acquired the Dogpaw Property in late 2002, and over the next several months carried out a comprehensive data compilation program for the Dogpaw Property. In the fall of 2003, Cunniah Lake Inc. carried out a reconnaissance program on the Dogpaw Property, consisting primarily of the location of old showings and verification sampling. Two new gold occurrences were identified during this work. No further work was conducted before the Dogpaw Property was sold to the Company in December, 2003.

Geological Setting

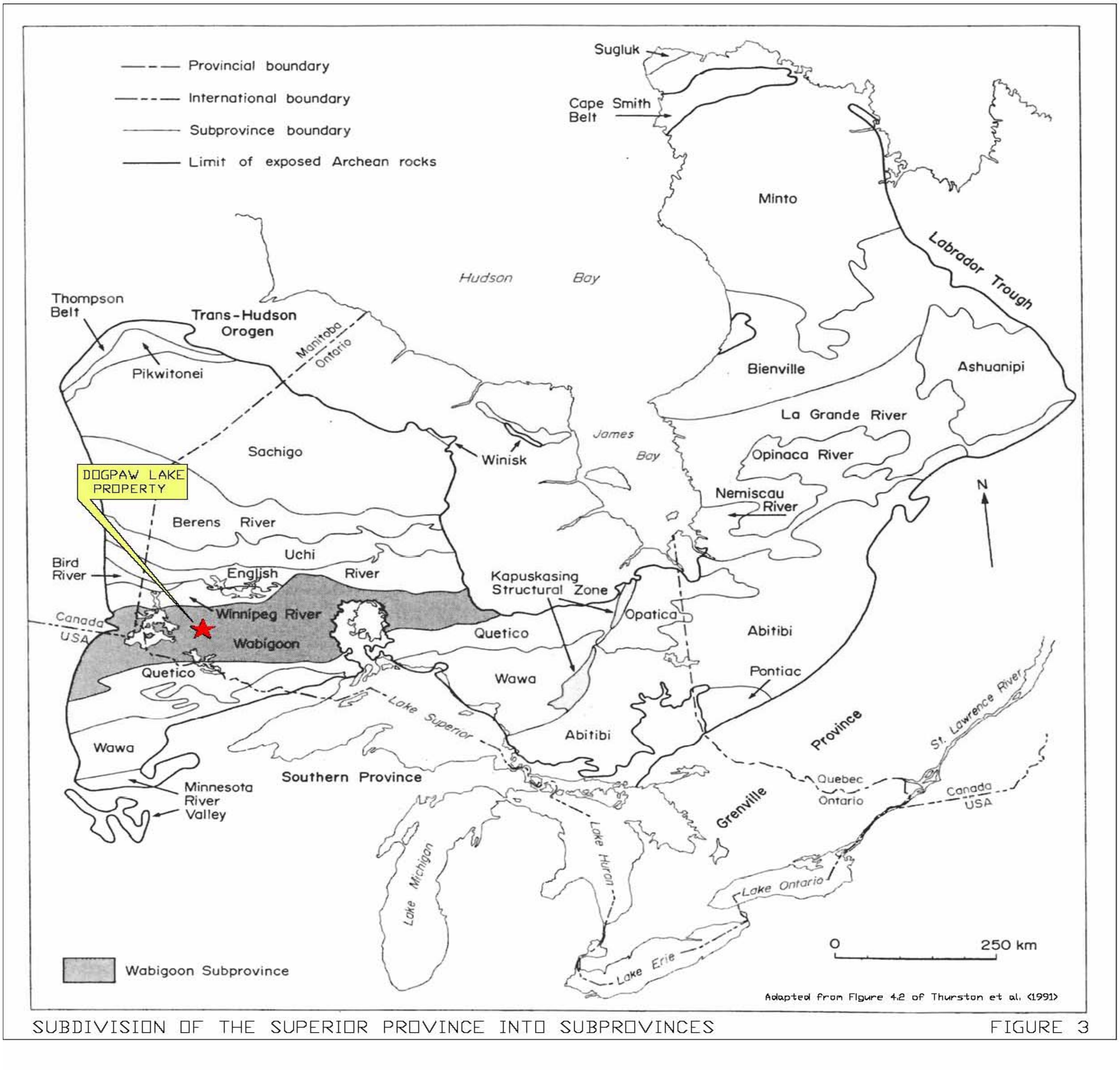
<u>Regional Geology</u>

The Dogpaw Property lies within the Archean (2.6 to 2.9 billion year old) Superior Province, within the central portion of the east-trending Wabigoon Subprovince (Figure 3).

The Superior Province is the largest Archean craton in the world with an area of 1 572 000 kilometres^2 , composing 23% of the Earth's exposed Archean crust (Thurston 1991). It is isolated from neighbouring Archean blocks by Proterozoic orogens (e.g. Grenville Province in the southwest and Trans-Hudson Orogen to the northeast: see Figure 3).

The Superior Province is subdivided into subprovinces (Figure 3) characterized by three combinations of distinctive rock types: volcano-plutonic; metasedimentary; gneissic or plutonic; and high-grade gneiss. Wabigoon Subprovince is a volcano-plutonic subprovince characterized by low metamorphic grade greenstone belts consisting of metavolcanic rocks of various ages surrounded and cut by granitic rocks. The map pattern of greenstone belts is a product of multiple deformational events that produced sinuous, bifurcating, commonly synformal metavolcanic belts interrupted by domical gneissic regions (Thurston 1991).

FIGURE 3: LOCATION OF THE DOGPAW PROPERTY IN THE WABIGOON SUBPROVINCE



The Wabigoon Subprovince is 900 kilometres-long and 150 kilometres-wide, comprised of metamorphosed volcanic and subordinate sedimentary rocks, ranging in age from about 3 to 2.71 billion years old, cut by 3 to 2.69 billion-year-old granitoid batholiths, gabbroic sills and granitic stocks (Blackburn et al 1991).

The Wabigoon Subprovince was further informally broken down by Blackburn et al (1991) into three regions, a Western, a Central and an Eastern. The Company's Dogpaw Property lies within the Western Wabigoon region, "a series of interconnected greenstone belts surrounding large elliptical granitoid batholiths…..Volcanic sequences comprise ultramafic (komatiitic), through mafic (tholeiitic, calc-alkalic, and minor alkalic and komatiitic) types, to felsic (mostly calc-alkalic) rocks. Sedimentary sequences are mostly clastic rocks of alluvial fan-fluvial, resedimented (turbidite) and rare platformal facies. Minor chemical metasedimentary rocks are predominantly oxide iron formation." As well as granitoid batholiths, "Numerous smaller post-tectonic granitoid stocks intrude the greenstone belts. Mafic to ultramafic sills and stocks are marginal to batholiths or intrude the metavolcanic sequences." (Blackburn et al 1991, p. 305).

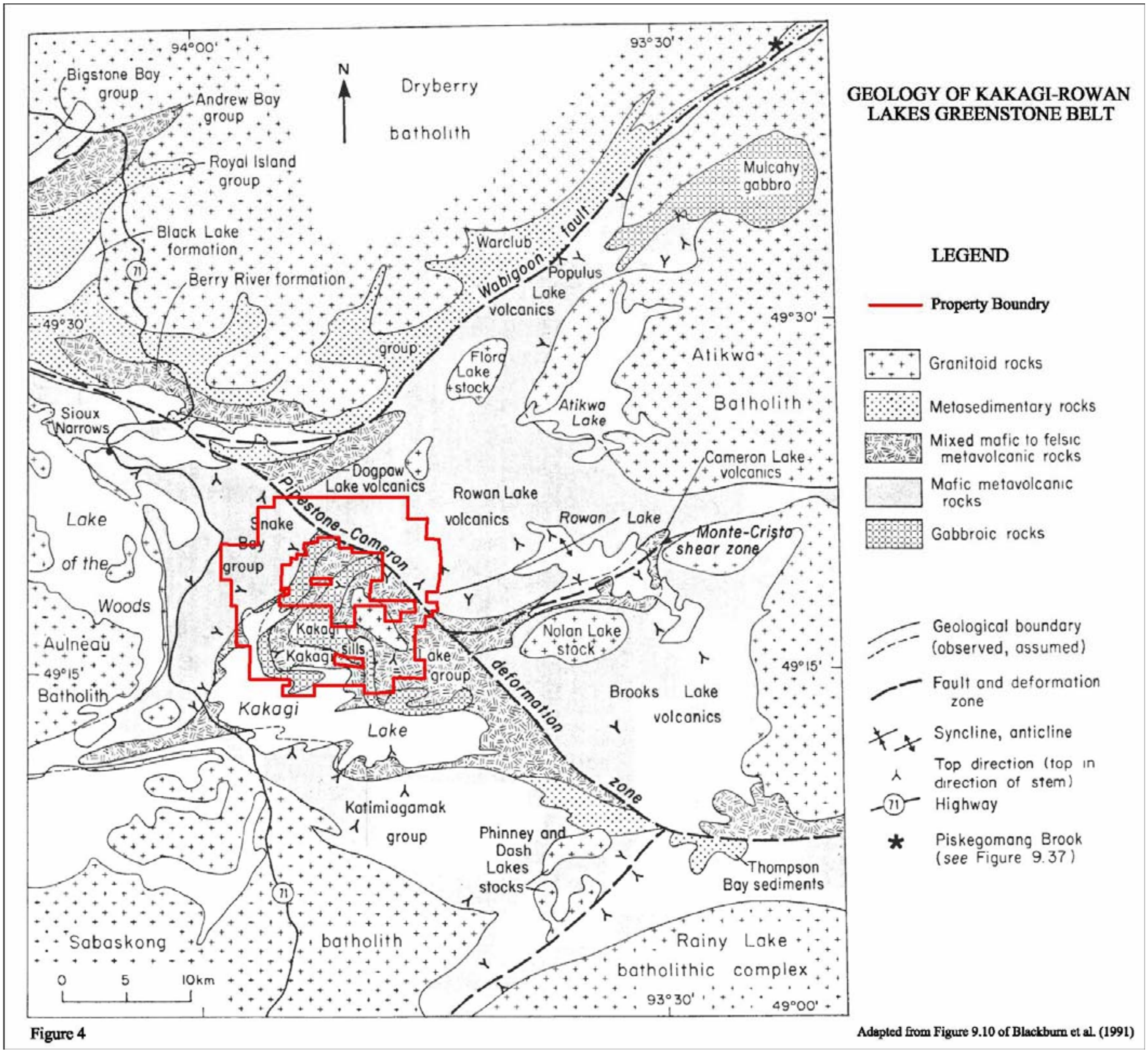
"Mafic metavolcanic units, commonly at the base of supracrustal sequences, have rarely been dated; the oldest unit is a 2775±1 million-year-old interflow tuff…....Most felsic to intermediate volcanism….occurred in the interval 2745 to 2711 Ma, coeval with the early, marginal phases of the internal batholiths. These largely metavolcanic units are overlain by synorogenic metasedimentary units of a resedimented facies association or less commonly by alluvial fan-fluvial metasedimentary rocks. Deformation and syntectonic to post-tectonic plutonism occurred in the interval 2711 to 2685 Ma." (Blackburn et al 1991, p. 305).

<u>Local Geology</u>

On a more local scale, the Dogpaw Property occupies a large portion of the Kakagi-Rowan Lakes Greenstone Belt (Figure 4). The belt is divided in two by the northwest-trending Pipestone-Cameron Deformation Zone (also called a fault). Although rock types and sequences on either side are similar, no unequivocal stratigraphic correlations have been made across the fault zone.

Southeast of the fault, the correlative Snake Bay and Katimiagamak Lake Groups are the lowermost units. They face towards the centre of the belt, and are composed of mafic volcanic flows intruded by mafic sills (not shown on Figure 4). They are overlain by a thick, predominantly pyroclastic, volcanic sequence of mixed chemical composition varying from mafic through felsic, but predominantly intermediate. At their southeastern end they pass into sedimentary rocks (Thompson Bay sediments: see Figure 4). This Kakagi Lake Group is in turn intruded by differentiated ultramafic (peridotite and pyroxenite) to mafic (gabbro) sills, called the Kakagi Sills.

FIGURE 4: GEOLOGY OF THE KAKAGI-ROWAN LAKES GREENSTONE BELT AND LOCATION OF THE DOGPAW PROPERTY



Northeast of the Pipestone-Cameron Fault, the correlative Rowan Lake Volcanics and Populus Lake Volcanics are the lowermost, mafic, units. They are folded about a northeast-trending anticline at Rowan Lake, and overlain on their south limb by the Cameron Lake Volcanics. The latter sequence is of mixed chemical composition, similar to the Kakagi Lake Group, but not necessarily correlative across the Pipestone-Cameron Fault. The Cameron Lake Volcanics are in turn overlain by the Brooks Lake Volcanics, an upper mafic sequence.

A number of late, post-tectonic stocks intrude the greenstone belts on either side of the Pipestone-Cameron Fault. These include from north to south in Figure 4, the Flora Lake, Nolan Lake, Stephen Lake (shown but not named on Figure 4: it lies within the Kakagi Lake Group) and Phinney and Dash Lakes Stocks.

<u>Property Geology</u>

Precambrian lithologic units contained within the Company's Dogpaw Property are presented in Table 2, adapted form Davies and Morin (1976a, Table 1). Stratigraphic units referred to in the Blackburn/Clark Report were adopted prior to the work of the authors, and are not incorporated into Table 2.

The Company's outer property boundary (Figure 4) incorporates, to the northeast of the Pipestone-Cameron Fault, a portion of the Rowan Lake Volcanics. They consist predominantly of massive and pillowed basaltic flows, with coarser gabbroic portions.

Southwest of the fault zone, Snake Bay group mafic volcanic flow rocks in the northwest of the Dogpaw Property are in contact with pyroclastic rocks of the Kakagi Lake Group along the northwest shore of Emm Bay. This contact has important implications for mineralization, discussed further in Sections 8, 9 and 19 of the Blackburn/Clark Report. Snake Bay Group volcanics are predominantly massive to pillowed basaltic flows, containing coarser gabbroic bodies that are lenticular to irregular in shape. The latter are generally interpreted to be intrusive (e.g. Davies and Morin 1976a) rather than of flow origin.

The southern portion of the Dogpaw Property is entirely underlain by Kakagi Lake Group rocks and the differentiated Kakagi Sills that intrude them. Davies and Morin (1976a) have numbered the sills 1 to 5, in stratigraphic order from top to bottom within the Kakagi Lake group (however, this order does not necessarily imply order of emplacement). The combined sequence of pyroclastic rocks and peridotite-to-gabbro sills has been folded about the major northeast-trending Emm Bay – Peninsula Bay Syncline. In addition, Sill #1 in the extreme south of the Dogpaw Property is folded about a very tight, similarly north-east to east trending fold structure at Burnt Peninsula, here named the Burnt Peninsula Anticline. Both of these folds have important implications for mineralization, again further discussed in Sections 8, 9 and 19 of the Blackburn/Clark Report.

TABLE 2: TABLE OF LITHOLOGIC UNITS, DOGPAW PROPERTY
(*adapted from* Davies and Morin 1976a, Table 1)

PRECAMBRIAN

MIDDLE TO LATE PRECAMBRIAN (PROTEROZOIC)
MAFIC INTRUSIVE ROCKS
Diabase

Intrusive Contact

EARLY PRECAMBRIAN (ARCHEAN)
Late Mafic Dikes
Gabbro, diorite, lamprophyre

Intrusive Contact

FELSIC INTRUSIVE ROCKS
Late Felsic Intrusive Rocks
Foliated and massive granodiorite, massive diorite, contaminated diorite

Intrusive Contact

Early Felsic Intrusive rocks
Granodiorite, feldspar porphyry, quartz porphyry, quartz-feldspar porphyry, fine-grained granodiorite and aplite

MAFIC AND ULTRAMAFIC INTRUSIVE ROCKS
Gabbro, diorite, quartz gabbro, anorthositic gabbro, pyroxenite, peridotite orthopyroxenite

Intrusive Contact

METAVOLCANICS AND METASEDIMENTS
Metasediments
Volcanic sandstone, volcanic conglomerate, argillite, chert
Felsic to Intermediate Metavolcanics
Dacite, porphyritic dacite, rhyodacite, tuff-breccia, lapilli-tuff, tuff, ignimbrite, spherulitic ash flows
Mafic to Intermediate Metavolcanics
Andesite, basalt, coarse-grained basalt, tuff-breccia, lapilli-tuff, tuff, flow breccia, porphyritic andesite, pillow lava

In the southeast portion of the Dogpaw Property the late tectonic Stephen Lake Stock is intruded into the uppermost or youngest sequences of the Kakagi Lake Group pyroclastic rocks. The stock is described as being quite heterogeneous by Davies and Morin (1976a): the main internal portion was mapped as massive granodiorite, while dioritic phases appear to characterize the marginal portions. Large angular xenoliths of mafic volcanic rock and gabbro are reported (Davies and Morin 1976a) within the stock, mostly close to its margin. Only the northwest portion of the stock lies outside the Company's property. The stock is elliptical in shape, with its long axis oriented in a northwest direction. This direction is both parallel to the trend of the major Pipestone – Cameron deformation zone and at right angles to the axial plane of the Emm Bay – Peninsula Bay syncline. Both of these latter structures may have exerted control on the emplacement of the stock, and also have influenced mineralization within it. Small bodies of felsic rock that lie along this northwest trend at Cedartree Lake may be satellitic to the Stephen Lake Stock. One of these appears to be the present focus of exploration drilling for gold by Metalore Resources. Many of the above features of the stock have important implications for mineralization and are further discussed in Sections 8, 9 and 19 of the Blackburn/Clark Report.

A variety of felsic intrusions occur within the volcanic sequence, both as dikes and sills. They have been described as quartz porphyry, feldspar porphyry and quartz-feldspar porphyry (Davies and Morin 1976a). They probably all predate the Stephen Lake Stock, since they are generally elongate and conform to the strike of volcanic formations or Kakagi Sills into which they are intruded. The largest and more irregular in shape is centred on Wapus Lake, and mostly outside of the Dogpaw Property. However, extensions of the Wapus Lake intrusion trend southward and sub-parallel to the strike of mafic volcanic flow rocks at and east of Bag Lake. Further south, at Jessie Lake, they cross strike at a high angle. A prominent felsic sill intrudes the Kakagi Lake group pyroclastic sequence north of Peninsula Bay. Further implications for mineralization are discussed in Sections 8, 9 and 19 of the Blackburn/Clark Report.

A north-northwest-trending Proterozoic age diabase dike, part of the regional Kenora-Fort Frances swarm (Osmani 1991) crosses the central portion of the Dogpaw Property, and clearly post dates all other rock units and the Pipestone-Cameron Deformation Zone.

Exploration by the Company

The Company completed a series of exploration programs on the Dogpaw Property in 2003-2004. The work has comprised prospecting, geological mapping, sampling, diamond drilling, line cutting and airborne geophysics.

Prospecting, Sampling, Geological Mapping and Sampling

During the late summer and fall of 2003, total of 21 days were spent on the Company's Dogpaw Property by geologist Dan Courtney on behalf of the Vendors. This work encompassed geological mapping, prospecting and sampling for gold assay. As well, 50 man-days were spent prospecting and sampling by prospectors Michael Stares and Robert Lyght. General prospecting of this large area was accomplished and two new gold showings were discovered, however, the main focus of this work was intended to investigate and evaluate previously known gold showings, occurrences and prospects.

With the discovery of two new gold showings (Starlyght and New Dogpaw Showings) resulting from Cunniah Lake's earlier work program, the Company conducted a follow-up work program. This work involved hydraulic washing of the Starlyght area and channel sampling plus detailed mapping of both showings. This effort utilized 40 man-days of work by Stares Contracting and 5 man-days from geologist Dan Courtney.

<u>1. Buckles, North and Walsten Occurrence</u>

Two traverses were done in this area, but both attempts failed to locate this occurrence that was reported in 1944. Geologically the dominant host rock is a thick unit of mafic volcanics that is relatively pristine and massive, except for local weak chlorite development and local very weak shearing. Near the extrapolated location of the Buckles, North and Walsten Occurrence a felsic dike was encountered that displayed weak silicification, weak sericite alteration and trace to 1% pyrite. This unit was observed in several outcrops over a strike length of some 620 meters, striking approximately 210 degrees. Six rock (grab) samples were collected along this trend. Gold values ranged from below detection to 25 ppb.

2. Byberg Occurrence

The western tip of Burnt peninsula on Kakagi Lake was mapped and prospected in an attempt at finding and investigating the Byberg Occurrence. The host rock is a mafic to ultramafic intrusive (Kakagi Sill #1). In this area a zone of weak vertical shearing (with a 10 cm 'core' of strong shearing) was encountered with accompanying silica, chlorite, iron carbonate alteration and disseminated pyrite from 3 to 10%. This shear strikes at 163° (width unknown) and was witnessed for at least 100 meters. Seven grab samples were taken. Five of these samples returned values from 17 to 46 ppb gold, while two samples that contained 8 to 10% pyrite returned gold values of 2,325 and 2,056 ppb.

3. Emm Bay Prospect

The Emm Bay Prospect was mapped and sampled and five small pits (trenches) were located. A fine-grained felsic dike with local quartz eyes lies in contact with a fine-grained mafic volcanic to the northwest. The felsic dike is quite massive, displays spotty carbonate alteration and contains trace to 0.5% pyrite. In the immediate area of the pits the mafic volcanic is chlorite/carbonate altered and contains 10-15% stringers of quartz carbonate veining. This veining contains 2-3% pyrite, minor albite and local traces of chalcopyrite and galena. Eighteen grab samples were taken and the gold assays returned values ranging from below detection to 115 ppb.

4. Flint Lake Mine (Thomas Edison) Occurrence

The old workings of the Flint Lake Mine were located, mapped and sampled. Outcrop exposure here is confined mostly to the old trenches and two water filled shafts. A chlorite, sericite, quartz schist (+/- ankerite) that is extremely fissile hosts the deposit. This schist represents a major vertical fault structure that is 12 meters wide at least (where exposed) and strikes 305°. The auriferous quartz vein was mostly mined out, except for one location where a 40 cm vein that contains 0.5 to 1% pyrite lies semi-conformably within the schist. Numerous dislodged boulders and a small 'ore' pile of quartz vein material was witnessed and sampled. Fourteen grab samples were taken, three of which were from the small 'ore stockpile'. The three samples of quartz vein from the stockpile returned values from 605 to 38036 ppb gold and the other assay values ranged from below detection limit to 3262 ppb gold.

5. Gauthier Occurrence

The Gauthier Occurrence area and trenches were located, mapped and sampled. This occurrence lies along a sheared contact between felsic to intermediate pyroclastics and mafic volcanics. Where exposed, the shear displays a width up to 8 meters, strikes 165° and dips 78° south. The felsic pyroclastics display strong sericite, silica, carbonate and chlorite alteration with local minor quartz flooding and trace pyrite. The mafic volcanics near the shear are chlorite, silica altered with mm-scale quartz stringers, local quartz flooding, 1% pyrite and local traces of chalcopyrite. Twenty-two grab samples were collected. These samples returned values ranging from 16 ppb to 127,773 ppb gold, with high grade gold values seemingly confined to quartz veining. Most of the quartz veining had been previously removed, but where exposed appears to be 10 to 50 cm wide.

6. Gold Sun Occurrence

The Gold Sun Occurrence was located, mapped and sampled. The host rock is a fine-grained, generally massive felsic volcanic (or possibly a fine grained intrusive) that is in contact with fine-grained massive mafic rock some 25 meters to the west. Running at approximately 225° (roughly parallel to the mafic contact), is a 12 meter wide zone of strong silica/carbonate alteration with 15 to 20% quartz-ankerite +/-albite stockworking. This alteration system averages 0.5 to 1% pyrite, but locally reaches 10 to 15%. Fifteen grab samples were collected from this area. Assays returned values ranging from 9 to 566 ppb gold.

7. Jenson-Johnston Prospect

The Jenson-Johnston Prospect was located, mapped and sampled. The host rocks are a fine-grained mafic volcanic and a medium grained gabbro. In places alteration and shearing obscure identification of the protolith. In this area a system of strong shearing and strong to intense silicification is apparent in the old trenches and in outcrops to the north. This steeply dipping, north-south trending system is accompanied by patchy iron carbonate and 3 to locally 17% pyrite. Flanking the main shear zone, the mafic rocks display chlorite alteration and weak shearing. Twenty-one grab samples were taken in this area. Assay results ranged from 152 to 29,987 ppb gold. Anomalous gold values over 1,000 ppb were collected over 200 meters of strike length.

8. Knapp (Bag Lake) Prospect

The Knapp Prospect (60 meter long stripped/washed trench) was located, mapped and sampled. This zone is hosted in mafic volcanics that have been intruded by a fine-grained felsic dike. These rocks have been variably sheared and altered. The steeply dipping shear that trends 310° varies from 5-7 meters wide and locally an earlier north-south trending narrow carbonatized structure is dextrally offset by it. Deformation has yielded an irregular nature and contact relationship with the felsic dike. Chlorite, silica alteration within the mafics is limited to the zone of shearing and also contains 1% to locally 12% pyrite. The felsic dike displays strong sericite/silica alteration, intense fracturing and 3% to 8% pyrite. Ten grab samples taken here returned values of 608 to 94,560 ppb gold.

9. Penn Occurrence

The Penn Occurrence area was located, mapped and sampled. The host rock is a black ultramafic intrusive that displays strong to intense iron carbonate alteration within a more widespread envelope of chlorite +/-talc alteration. Quartz/carbonate (cm scale) is quite common and locally can comprise up to 65% of the host rock. Two small outcrops of a fine-grained felsic rock (of either intrusive or volcanic origin) were also observed. Pyrite mineralization ranges from an average of 0.5% to 5% in the area of strong quartz/carbonate flooding. Five grab samples were taken in this area and returned values of 202 to 2,191 ppb gold.

10. Starlyght Showing

The Starlyght is a new gold showing discovered during this exploration program. Exploration completed by the Company comprised grab and channel sampling, hydraulic washing, mapping and thin section descriptions. The showing is hosted within the granodioritic Stephen Lake Stock and is likely a dioritic phase within this felsic intrusive. Gold mineralization is related to a strong fracture-alteration system(s) that trend north-south. The alteration is predominantly iron carbonate with lesser silicification, K-spar and albitization with associated pyrite and magnetite. Pyrite varies from trace to 10%. Fifteen grab samples taken in the area returned assayed gold values ranging from 3,189 ppb to 47,290 ppb. Samples that assayed strongly anomalous gold (>1,000 ppb gold) were collected over a strike length of 260 meters (remaining open along strike) and over a width of 46 meters. Subsequently, a follow up program of hydraulic washing and channel sampling was carried out. Ninety-three channel samples were cut across the alteration–fracture system in fifteen separate channels. The results of this sampling are listed in Table 3.

Table 3.
SUMMARY OF CHANNEL SAMPLING PROGRAM, DOGPAW PROPERTY

STARLYGHT SHOWING

CHANNEL NO.	**LENGTH** (meters)	**AVERAGE GRADE** (grams gold/tonne)
1	6.0	0.897
2	2.3	1.605
3	3.8	0.246
4	5.5	1.411
5	19.0	1.423
6	3.0	0.655
7	5.0	2.976
8	7.0	1.721 (includes 3.847 over 2 m)
9	1.3	11.87
10	10.0	4.224
10A	3.0	6.553 (includes 9.330 over 2 m)
11	3.0	0.492
12	6.7	2.676
13	7.0	1.010
14	6.0	0.661 (includes 1.655 over 2 m)
15	2.7	0.204

11. New Dogpaw Showing

The New Dogpaw Showing was discovered during the Company's follow-up exploration program. The 6.8 meter wide zone exists as a strongly to intensely silicified and sericite altered felsic ash tuff with cleavage related iron carbonate and 2-8% disseminated pyrite. This zone is hosted within a much wider sheared to strongly foliated system of deformation that strikes in a similar direction to the nearby Gauthier Occurrence (110° dipping 75° north). The showing lies 170 meters across strike (southwest) of a theoretical strike extension of the Gauthier Occurrence. Eight grab samples were collected from this area returning values from 12 to 23,421 ppb gold. Subsequently seven channel cuts were sawn across the 6.8 meters, which returned 1.049 gpt Au.

Drilling

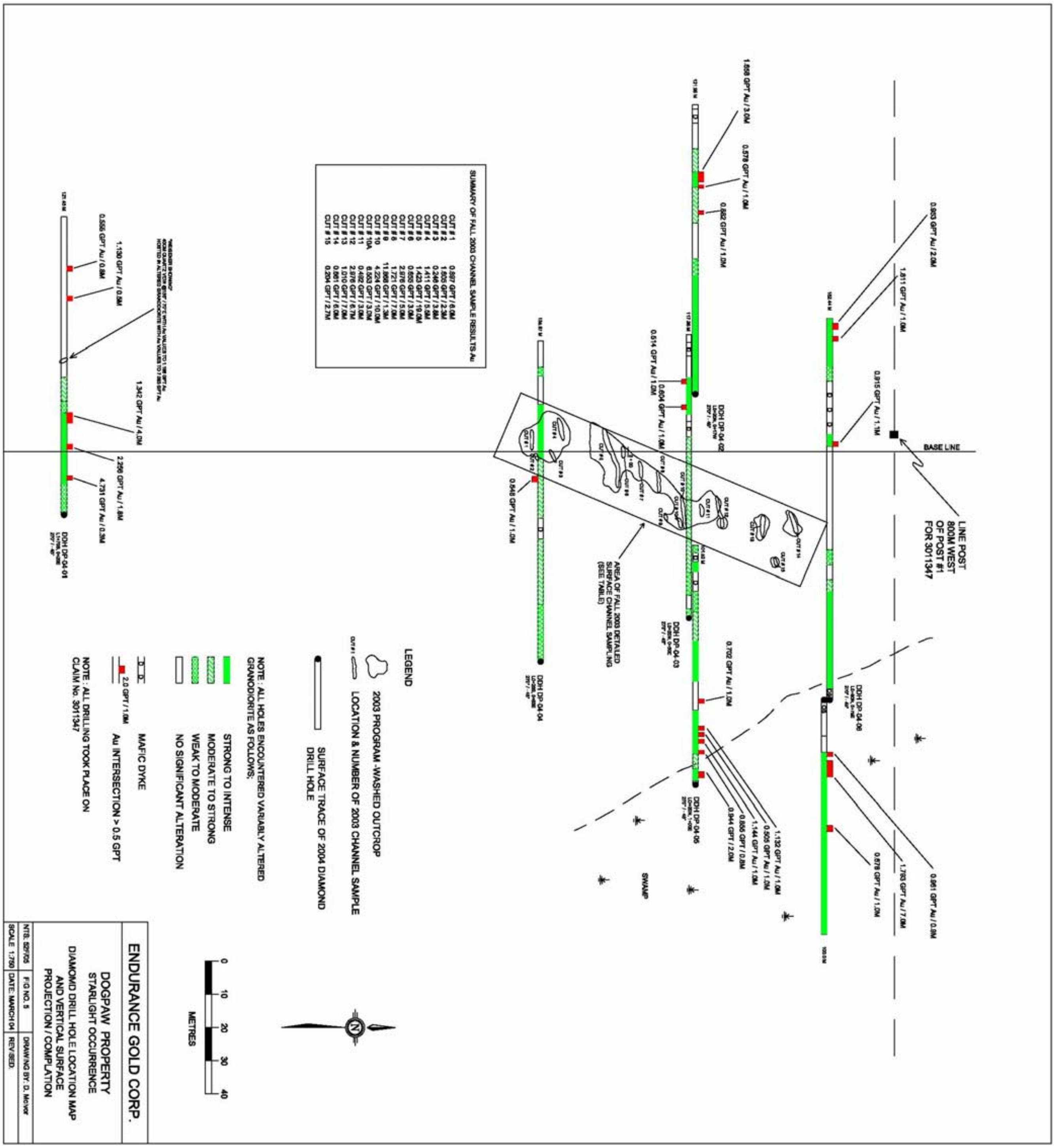
During the period February 28 through March 19, 2004, a seven hole, 850.4 metre diamond drilling program was completed on the Starlyght Showing (Table 4, Figure 5). The drilling was performed by Falcon Drilling Ltd. Of Prince George, B.C. The diamond drill program was supervised by Duncan McIvor, P. Geo., a Qualified Person and the President and Chief Executive Officer of the Company. Charles Blackburn, P. Geo., examined the drill core and completed check samples on August 19, 2004. The assay results of this sample are presented in Table 5.

Access to the drilling area was completed by helicopter. All equipment moves utilized the helicopter with crew access via snow machine along ice road and trails to the site. Forest Helicopters Ltd., based out of Kenora, provided the necessary helicopter support, using both a Bell 206 Long Ranger, and an Aerospatiale A-Star.

Table 4.
Summary of Winter 2004 Dogpaw Property Drill Holes

HOLE NO.	CO-ORDINATES	AZ./DIP	LENGTH
Hole DP04-01	L1+70S, 0+20E	270/45	121.45 M
Hole DP04-02	L0+20N, 0+17W	270/45	121.95 M
Hole DP04-03	L0+20N, 0+50E	270/45	117.38 M
Hole DP04-04	L0+26S, 0+63E	270/45	135.67 M
Hole DP04-05	L0+20N, 1+00E	270/45	101.52 M
Hole DP04-06	L0+60N, 0+75E	270/45	152.44 M
Hole DP04-07	L0+60N, 0+75E	090/45	100.00 M
		PROGRAM TOTAL:	850.41 M

FIGURE 5. DIAMOND DRILL HOLE LOCATION MAP



Representatives of the Company monitored the drilling, core recovery, and core handling on a daily basis. All core was collected and delivered to the Company's core logging facility at the Nuinsco mine-site by either representatives of the Company, or via helicopter during drill moves. All core was subsequently logged and sampled by representatives of the Company.

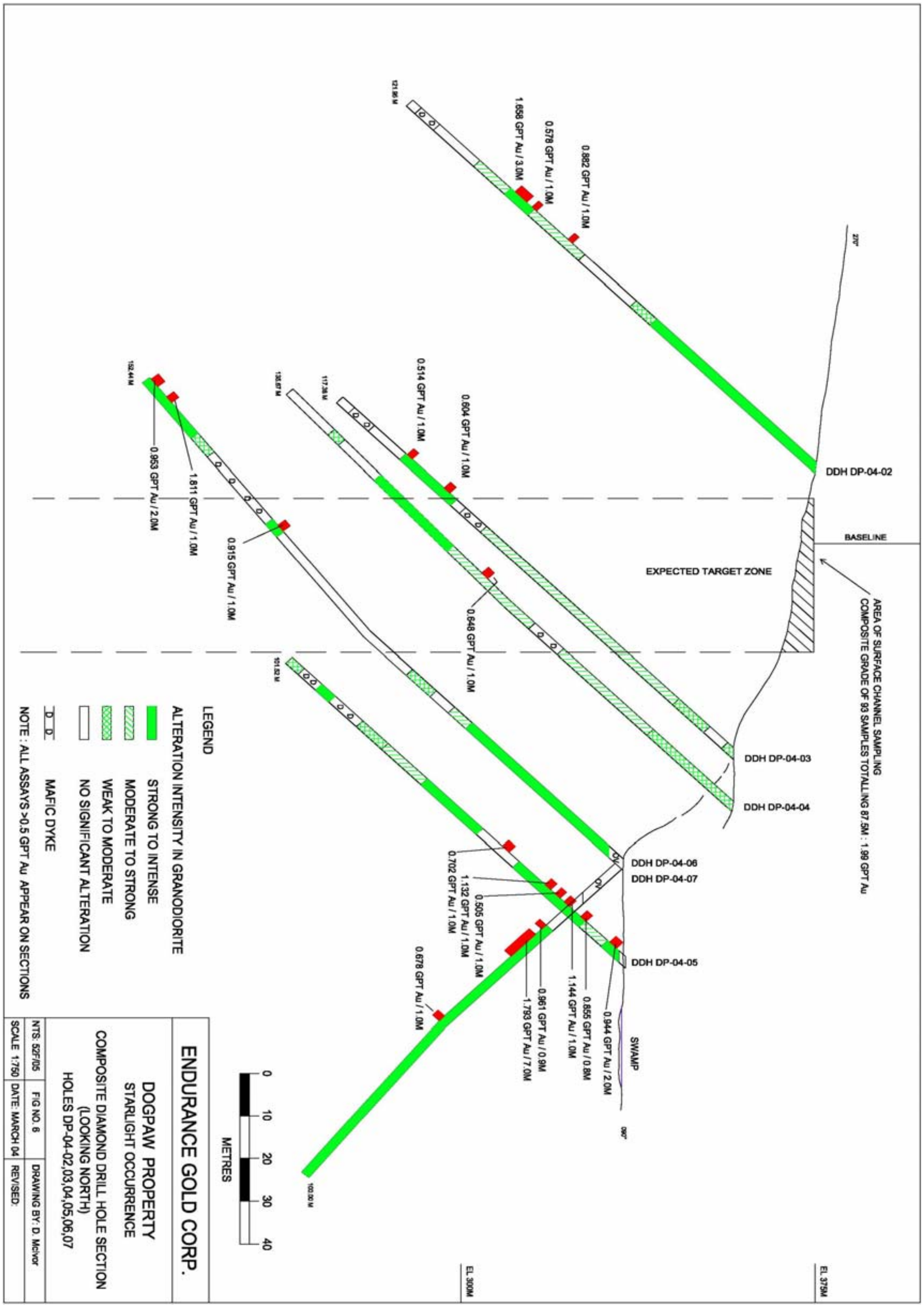
Drill Results

The seven-hole diamond drill program was designed to establish the width of gold mineralization expressed in the surface exposure of the Starlyght and Weisener showings (Figure 5). A three-hole fence across the zone and two step out holes comprised the diamond drilling testing the width of mineralization and confirming a minimum strike length of approximately 80 metres on the Starlyght showing. The one diamond drill hole on the Weisener showing, tested the potential width of that zone, and similarity of mineralization and alteration to the Starlyght showing. A final hole in the area of the Starlyght showing evaluated the potential of a controlling structure beneath a topographic low (swamp).

The results returned from the drilling program were extremely enigmatic. While the three-hole fence across the Starlyght Occurrence returned broad intervals of intense alteration, particularly in the tops of holes DP-04-02 and DP-04-05, the expected immediate down-dip area beneath the surface channel samples was only weakly altered (Figure 5). In addition, the zones of strong to intense alteration encountered in the three-hole fence were surprisingly sulphide poor, in terms of visual comparison to surface samples. Generally speaking, the altered zones contained less than 2% pyrite, whereas surface samples that returned significant gold grades routinely carried in excess of 5% pyrite. Those zones that did carry higher sulphide content, for example in the upper sections of Hole DP-04-05, did return the most consistently anomalous gold values (Table 5).

Both step out holes also failed to encounter what was the anticipated vertical down-dip extension to the surface mineralization (Figures 5 and 6, Table 5).

FIGURE 6. COMPOSITE DIAMOND DRILL HOLE SECTION



The hole drilled beneath the Weisener showing (DP-04-01) confirmed a down-dip extension to that zone where a surface grab sample assayed 7.083 gpt Au, with an assay interval of only 1.342 gpt Au over 4.0 metres (Table 5).

The hole drilled beneath the swamp (DP-04-07) intersected the broadest zone of alteration, that, within the uppermost sections, contained the best sulphide content and returned an assay interval of 1.793 gpt Au over seven metres (Figure 6, Table 5). This hole expanded the known width of the alteration package within the granodiorite, to in excess of 230 metres.

Based on the drilling results, there is no apparent north-south trending, sub-vertical continuity to surface mineralization. Both visually, and in terms of returned gold grades, the areas at the top of Holes DP-04-05 and DP-04-07 were closest to the surface expression of the Starlyght showing. If the two alteration packages are related, the mineralized horizon would be dipping at 35 degrees east. Core angles of major fracture sets, in all drill holes, more closely reflect a vertical orientation.

The results, while disappointing, point to a very large alteration system, with, based on the surface results returned from the Starlyght showing, the ability to host economic grade over width. As such, the showing area, and the entire Stephen Lake Stock, continues to represent a valid exploration target, that warrants on-going serious evaluation.

Table 5.
Summary of Significant Gold Intersections (>0.50 gpt Au),
Winter 2004 Dogpaw Drilling Program

Interval (M)	Width (M)	Grade (gpt Au)	Comments
DDH DP-04-01			
14.80 – 15.10	0.30	4.731	Quartz vein zone in intensely altered granodiorite
27.00 – 28.80	1.80	2.256	Quartz vein zone in intensely altered granodiorite
42.00 – 46.00	4.00	1.342	Intensely altered granodiorite
88.60 – 89.10	0.50	1.130	50 cm Quartz Vein in unaltered granodiorite
99.70 – 100.50	0.80	0.555	Thin altered zone in granodiorite
DDH DP-04-02			
73.00 – 74.00	1.00	0.882	Quartz vein zone in moderately altered granodiorite
84.00 – 85.00	1.00	0.578	Altered granodiorite
87.00 – 90.00	3.00	1.658	Altered granodiorite
DDH DP-04-03			
86.00 – 87.00	1.00	0.604	Intensely altered granodiorite
97.00 – 98.00	1.00	0.514	Intensely altered granodiorite
DDH DP-04-04			
75.20 – 76.20	1.00	0.648	Quartz vein zone in weakly altered granodiorite
DDH DP-04-05			
3.00 – 5.00	2.00	0.944	Strongly altered granodiorite with yretic quartz veins
12.20 – 13.00	0.80	0.855	Strongly altered granodiorite
17.00 – 18.00	1.00	1.144	Strongly altered granodiorite
20.00 – 21.00	1.00	0.505	Strongly altered granodiorite
23.00 – 24.00	1.00	1.132	Intensely altered granodiorite
36.00 – 37.00	1.00	0.702	Thin strongly altered zone in massive granodiorite

Interval (M)	**Width (M)**	**Grade (gpt Au)**	**Comments**
DDH DP-04-06			
105.3 – 106.4	1.1	0.915	Strongly altered granodiorite
144.0 – 145.0	1.0	1.811	Mineralized, intensely altered granodiorite
149.0 – 151.0	2.0	0.953	Mineralized, intensely altered granodiorite
DDH DP-04-07			
22.1 – 23.0	0.9	0.961	Intensely altered granodiorite
26.0 – 33.0	7.0	1.793	Mineralized, intensely altered granodiorite
54.0 – 55.0	1.0	0.678	Intensely altered granodiorite

Sampling and Analysis and Security of Samples

Grab samples were sealed in plastic bags and either shipped by bus or personally delivered to Accurassay Laboratories in Thunder Bay, Ontario for gold assay. Samples of massive unaltered and undeformed mafic volcanic rock taken from one location were used as blanks every 15th sample interval. Grab sampling for check assays were collected by Charlie Blackburn and sent to XRAL/SGS Laboratories in Red Lake, Ontario. Channel Sampling of the Starlyght and Dogpaw Lake Showings were cut with a diamond blade saw by Stares Contracting personnel, whilst under supervision from Dan Courtney. Conscientious effort was applied to provide a consistent cut of 5 cm width, 5 cm depth and nominally 1 meter in length. The sampling was designed to crosscut alteration and structural trends at high angles (75 to 90°). These samples were sealed in plastic bags and personally delivered to Accurassay Laboratories in Thunder Bay.

Diamond drill core samples were split using a Longyear wheel splitter. Samples were then sealed in plastic sample bags, and then sealed in rice bags for shipment to Accurassay Laboratories in Thunder Bay. Representatives of the Company either personally delivered the bagged samples to the Greyhound bus terminal in Kenora, for shipment to Thunder Bay, or hand delivered the bagged samples directly to the laboratory in Thunder Bay. Within the samples submitted to Accurassay, the Company routinely inserted "blank" samples known to contain no appreciable gold mineralization. Barren gabbroic dyke material was split, into single metre intervals and inserted into the sample sequence approximately every fifty samples.

Accurassay Laboratories' procedure is as follows:

The samples are dried, if necessary, and then jaw crushed to –8 mesh, riffle split and pulverized to 90% -150 mesh, and then matted to ensure homogeneity. The remnant –8 mesh material is known as a reject and the remnant – 150 mesh material is the pulp. Silica sand is used to clean out the pulverizing dishes between each sample to prevent cross-contamination.

The homogeneous sample (pulp) is then split to produce a 30 gram sample that is fired in the fire assay lab. The sample is mixed with a lead-based flux and fused for an appropriate length of time. The fusing process results in a lead button, which is then placed in a cupelling furnace where all of the lead is absorbed by the cupel and a silver bead, which contains any gold, platinum and palladium, is left in the cupel. The cupel is removed from the furnace and allowed to cool. Once the cupel has cooled sufficiently, the silver bead is placed in an appropriately labelled small test tube and digested using a 1:3 ratio of nitric acid to hydrochloric acid. The samples are bulked up with 1.0 ml of distilled deionized water and 1.0 ml of 1% digested lanthanum solution. The total volume is 3.0 ml. The samples are vortexed and allowed to settle.

Once the samples have settled they are analyzed for gold using atomic absorption spectroscopy. The atomic absorption spectroscopy unit is calibrated for each element in an air-acetylene flame. The results for the atomic absorption are checked by the technician and Quality Control Coordinator and then forwarded to data entry by means of electronic transfer and a certificate is produced. Every tenth sample is duplicated for quality control. All assays greater then 34000 ppb are analysed three times and averaged. The Laboratory Manager checks the data and validates it if it is error free. The results are then forwarded to the client by fax, e-mail, floppy or zip disk, or by hardcopy in the mail.

Line Cutting

The Company has completed 67.5 kilometres of line cutting over the area of the Starlyght Showing. The baseline is oriented north-south. The grid was cut for the purpose of completing a humus survey. Duncan McIvor, P. Geo., the Company's President and Chief Executive Officer, determined that the humus sampling completed was not done to the satisfaction of the Company, and additional ground clarification as to sample locations and quality will be required before the existing sample set will be assayed.

Geophysical Study

The Company contracted Terraquest Ltd. (August 21 to September 16, 2004) to complete a 2,625 flight-line kilometre airborne magnetic and radiometric survey over portions of the Dogpaw Property. The survey was divided into two blocks; Block A, covering the southeast quadrant of the property, comprised 1,409 flight-line kilometers, and Block B, covering the northwest quadrant of the property, comprised 1,216 flight-line kilometers.

The airborne magnetic and radiometric survey results have very successfully assisted in defining lithological and structural targets for on-going gold exploration on the Dogpaw Property, including;

- In Block A, both the radiometric and magnetic data clearly define the limits of the Stephen Lake Stock, a significant gold exploration environment based on the results of limited exploration at the Starlyght Occurrence.

- Within the internal boundaries of the Stephen Lake Stock, both the magnetic and radiometric data define structural features that may be directly associated with gold mineralization, in the form of cross-cutting north-south trending magnetic and radiometric lows.

- Elsewhere within Block A, the magnetic data have defined litho-structural targets including the NW-SE trending Pipestone Cameron Lake Deformation Zone, and, at several locations, the contact between gabbros and surrounding mafic volcanics that is a significant exploration target based on gold mineralization defined elsewhere on the property (Jenson Johnson Occurrence on Block B)

- In Block B, the magnetic data has defined several prominent litho-structural targets, including the Pipestone Cameron Lake Deformation Zone, and several contacts between gabbros and surrounding basalts, notably in the Bag Lake and Cedartree Lake areas.

- The radiometric data for Block B were generally flat and very low, suggesting the complete absence of any hidden felsic intrusives that may have represented significant gold targets similar to the Stephen Lake Stock. In general, the radiometric data for this block was of little or no value.

Mineral Resources and Mineral Reserves

Exploration work to date on the Dogpaw Property has not advanced to the stage which would permit the calculation of resources or reserves.

Proposed Exploration and Development

The 2004 diamond drilling program completed on the Starlyght Occurrence returned sufficiently encouraging anomalous gold values to warrant the on-going evaluation of the entire Stephen Lake Stock. The airborne magnetic and radiometric survey results have very successfully assisted in defining lithological and structural targets elsewhere on the Property. In order of priority, three areas are recommended for exploration work in 2005, those being;

- The Stephen Lake Stock
- The Bag Lake Area
- The East Shore of Dogpaw Lake

12. Stephen Lake Stock

This area warrants priority follow-up, in light of the 2003 surface channel sampling program, and the presence of anomalous gold values encountered in the winter 2004 diamond drilling program. The objective would be to define new and potentially larger, more continuous areas of gold mineralization than that encountered at the Starlyght Occurrence to date. A recommended program would include;

- Re-completion of the unsatisfactory humus geochemical sampling program that was initially undertaken in July-August 2004.
- Reconnaissance scale geological mapping and sampling over the 67 line-kilometre grid established in 2004.
- Selected IP over identified humus geochemical anomalies and structural corridors as defined by the 2004 airborne geophysical data.
- As warranted, surface stripping programs on identified targets as defined by surface mapping, geochemical, and geophysical work.
- As warranted, a diamond drilling program to evaluate down-dip extensions of significant surface values defined through all phases of work completed above. This portion of the program would most likely be deferred through to winter, 2005.

The proposed budget for the Stephen Lake Stock is recommended as follows:

Humus Sampling Program:

Labour: 40 man-days at $300 per day		$12,000
Samples: 500 samples at $12 per sample		$6,000
Field Consumables:		$1,800
Food and Accommodation:		$3,000
Boat Rental Charges:		$1,800
Vehicle Charges:		$1,800
	Total Humus Sampling Program:	$26,400

Detailed Geological Mapping:

2 Geologists for 30 days: 60 Man-days at $800 per day		$48,000
Field Consumables:		$2,000
Food and Accommodation:		$4,500
Boat Rental Costs:		$2,000
Vehicle Charges:		$2,000
Samples: 1,000 at $20 per sample		$20,000
	Total Mapping Program:	$78,500

Ground IP:

Approximately 10 line-kilometres at $1,500 per kilometre.	$15,000

Trenching and Channel Sampling:
(As Warranted)

Portable back-hoe (Flyable) – 10 days at $1,500 per day	$15,000
Pumps, Hoses, Saws, etc. (Rental) – 10 days at $100 per day	$1,000
Saw Blades: 3 at $500 per blade	$1,500
Labour: 30 Man-days at $250 per day	$7,500
Samples: 500 at $20 per sample	$10,000
Geologist (Mapping): 4 days at $400 per day	$1,600
Consumables (Fuel, Sample Bags, etc.)	$1,000
Food and Accommodation:	$2,500
Helicopter Support: 3 Hours at $1,000 per hour	$3,000
Boat Rental:	$1,000

Vehicle Charges:		$1,000
	Total Trenching and Sampling Program:	$45,100

Report Preparation Costs:

For all of the above program:		$7,500
	Total Stephen Lake Stock Evaluation Budget:	**$172,500**

Contingent on the results generated as a result of the above program, an initial 1,000 metre diamond drilling may be warranted in late 2005.

13. Bag Lake Area

Based on the results of 2003 reconnaissance sampling completed by Cunniah Lake Inc., the area north and west of Bag Lake warrants additional evaluation, in the vicinity of the historic Jenson-Johnson Prospect. That work should include grid establishment, followed by a small IP and Magnetics survey, geological mapping and sampling, trenching, and, if warranted, diamond drilling. A recommended budget for the Bag Lake Area is as follows;

Line Cutting:

Approximately 17 line-kilometres at $450 per kilometre		$7,650

Ground Magnetics:

Approximately 15 line-kilometres at $100 per line kilometre		$1,500

IP:

Approximately 8 Line-kilometres at $1,500 per line-kilometre		$12,000

Detailed Geological Mapping:

2 Geologists for 7 days: 14 Man-days at $800 per day		$11,200
Field Consumables:		$500
Food and Accommodation:		$1,050
Vehicle Charges:		$750
Samples: 250 at $20 per sample		$5,000
	Total Mapping Program:	$18,500

Report Preparation Costs:

For all of the above		$1,500
	Total Bag Lake Evaluation Budget:	**$41,150**

Contingent on the results generated as a result of the above program, an initial 500 metre diamond drilling program may be warranted for late 2005.

14. Dogpaw Lake Area

Results from a new showing approximately 200 metres south of the historically documented Gauthier Occurrence requires follow up, as does the entire area. While there has been a substantial amount of work completed over this portion of the property, several drill targets have been defined but remain untested. The recommended program for 2005 includes rehabilitating the 1998 Starcore Grid, completing a limited amount of prospecting/mapping, a limited IP survey to confirm previously identified targets and cover the New Showing area, followed by diamond drilling as warranted. The recommended budget for the Dogpaw Lake Area is as follows;

Grid Rehabilitation:

20 kilometres at $100 per kilometre:		$2,000

IP Survey:

10 kilometres at $1,500 per kilometre:	$15,000

Geological Mapping/Prospecting:

1 Geologist for 7 days at $400 per day:		$2,800
1 Prospector for 7 days at $300 per day:		$2,100
Field Consumables:		$500
Food and Accommodation:		$1,050
Samples: 150 at $20 per sample		$3,000
Vehicle Charges:		$500
Boat Rental:		$500
	Total Mapping and Prospecting Program:	$10,450

Report Preparation Costs:

For the above program:		$1,000
	Total Dogpaw Area Evaluation Budget:	**$28,450**

If warranted, a small 500 metre diamond drilling program may be completed late in 2005.

15. Other Areas

Given the large size of the Dogpaw Property, on-going prospecting should continue to evaluate those portions of the Dogpaw Property that have seen little previous exploration, or where previous work has defined prospects of some significance. A reconnaissance budget, including some allocation for on-going compilation work, appears below.

On-Going Compilation Work:

10 days at $400 per day	$4,000

Prospecting:

1 Prospector, for 30 days at $300 per day:		$9,000
1 Field Assistant for 30 days at $250 per day:		$7,500
Field Consumables:		$1,000
Food and Accommodation:		$4,500
Samples: 300 samples at $20 per sample		$6,000
Vehicle Charges:		$2,000
Boat Rental:		$1,500
	Total Prospecting Program:	$31,500
	Total Other Areas Evaluation Budget:	**$35,500**

The Company intends to fund Phase 1 of the recommended exploration program at an estimated cost to the Company of $277,600 from the proceeds of the Offering. See "Use of Proceeds".

The foregoing summary of the Dogpaw Property is taken in part from, and is based in reliance on the Blackburn/Clark Report.

Known Reserves

There are no known ore reserves for the Dogpaw Property. **The Dogpaw Property is without a known body of commercial ore and the proposed program is an exploratory search for ore. See "Risk Factors".**

Underground and Surface Plant and Equipment

There is no surface or underground plant or equipment on the Dogpaw Property and there has been no underground exploration on the Dogpaw Property.

B. <u>Nechako Gold Project, British Columbia</u>

In November 2004 the Company contracted David J. Pawliuk, P. Geo., of Nanoose Geoservices to complete a NI 43-101 compliant report on the Nechako Gold Project, which is material to the Offering. Mr. Pawliuk is at arm's length to the Company. The Company is satisfied that Mr. Pawliuk is a Qualified Person as required under the terms of NI 43-101.

The interest that is the subject of the Company's option under the Option Agreement in the Nechako Gold Project is the subject of a report (the "Pawliuk Report") dated November 2004, prepared by Mr. Pawliuk. The discussions set out herein are extracted from, or are accurate paraphrasings of, sections of the Pawliuk Report. The exploration activities carried out by the Company were directly supervised by Duncan McIvor, the Company's President and a Qualified Person as defined by NI 43-101.

Property Description and Location

The Nechako Gold Project is located 75 kilometres due west of the city of Quesnel, in central British Columbia, on N.T.S. map-sheet 93B/13E (Figure 7). The BOB claim group is comprised of 12 claims totaling 48 units (approximately 1,200 hectares). Ownership of these claims is currently registered as to 100% by Amarc. The nearby JMD claim group, located 2 kilometres southwest of the BOB claims, is comprised of 4 claims totaling 4 units (approximately 100 hectares). Ownership of the JMD claims is currently registered as to 100 % in the name of Amarc. An additional five claims covering 2,047 hectares were acquired in January, 2005, and are recorded in the name of Duncan McIvor, President, Chief Executive Officer and a Director of the Company. Amarc, pursuant to an area of mutual interest in the Option Agreement, elected to include these claims in the Nechako Gold Project.

Under the terms of the Option Agreement, the Company has the option to acquire a 60% interest in the Nechako Gold Project by completing $250,000 in exploration expenditures and issuing a total of 250,000 Common Shares to Amarc over a three-year period. The Company has the obligation to incur exploration expenditures of at least $50,000 on or before August 30, 2005. 50,000 Common Shares of the Company must be issued to Amarc within 10 business days following the Listing Date, as hereinafter defined. In order to exercise the option, the Company must issue an additional 50,000 Common Shares on or before the first anniversary of the Listing Date and must incur the balance of the exploration expenditures and issue the remaining 150,000 Common Shares by the third anniversary of the Listing Date. In connection with the entering into of the Option Agreement, the Company agreed to issue 70,000 Common Shares to Gregory Dawson of Coquitlam, British Columbia. Mr. Dawson had agreed to waive his right to receive 25,000 share of Amarc pursuant to an underlying agreement with Amarc. 50,000 Common Shares to be issued to Amarc and 70,000 Common Shares to be issued to Mr. Dawson are qualified under this Prospectus.

The claims comprising the original property are listed below in Table 6, and illustrated in Figure 8.

New claims acquired by the Company in January 2005 are listed in Table 7.

Table 6
Nechako Gold Project Property Claim Summary
(Existing Claims on Execution of Option Agreement)

Claim Name	Tenure Number	No. of Units	Record Date	Current Expiry Date	Assessment Required
BOB 1	402163	20	May 10, 2003	March 31, 2006	$2,000
BOB 2	403836	1	July 08, 2003	March 31, 2006	$100
BOB 3	403837	1	July 08, 2003	March 31, 2006	$100
BOB 4	403838	1	July 08, 2003	March 31, 2006	$100
BOB 5	403839	1	July 08, 2003	March 31, 2006	$100
BOB 6	403840	1	July 08, 2003	March 31, 2006	$100
BOB 7	403841	1	July 08, 2003	March 31, 2006	$100

Claim Name	Tenure Number	No. of Units	Record Date	Current Expiry Date	Assessment Required
BOB 8	403842	1	July 08, 2003	March 31, 2006	$100
BOB 9	403843	1	July 08, 2003	March 31, 2006	$100
BOB 10	403846	18	July 11, 2003	March 31, 2006	$1,800
BOB 11	403844	1	July 12, 2003	March 31, 2006	$100
BOB 12	403845	1	July 12, 2003	March 31, 2006	$100
JMD 1	404670	1	Aug. 21, 2003	March 31, 2006	$100
JMD 2	404671	1	Aug. 21, 2003	March 31, 2006	$100
JMD 3	404672	1	Aug. 21, 2003	March 31, 2006	$100
JMD 4	404673	1	Aug. 21, 2003	March 31, 2006	$100
		52			$5,200

Table 7
Nechako Gold Project Property Claim Summary
(New Claims Acquired January 2005)

Claim Name	Tenure No.	Size (Units or Cells/Ha)	Date Acquired	Due Date	Work Required
Nechako 1	501199	24 (467.5)	Jan. 12, 2005	Jan. 12, 2006	$1,870
Nechako 2	501252	23 (448.4)	Jan. 12, 2005	Jan. 12, 2006	$1,794
Nechako 3	502762	24 (468.0)	Jan. 13, 2005	Jan. 13, 2006	$1,872
Nechako 4	502765	22 (428.9)	Jan. 13, 2005	Jan. 13, 2006	$1,716
Nechako 5	502769	12 (233.9)	Jan. 13, 2005	Jan. 13, 2006	$936

FIGURE 7: LOCATION MAP OF NECHAKO GOLD PROJECT, B.C.

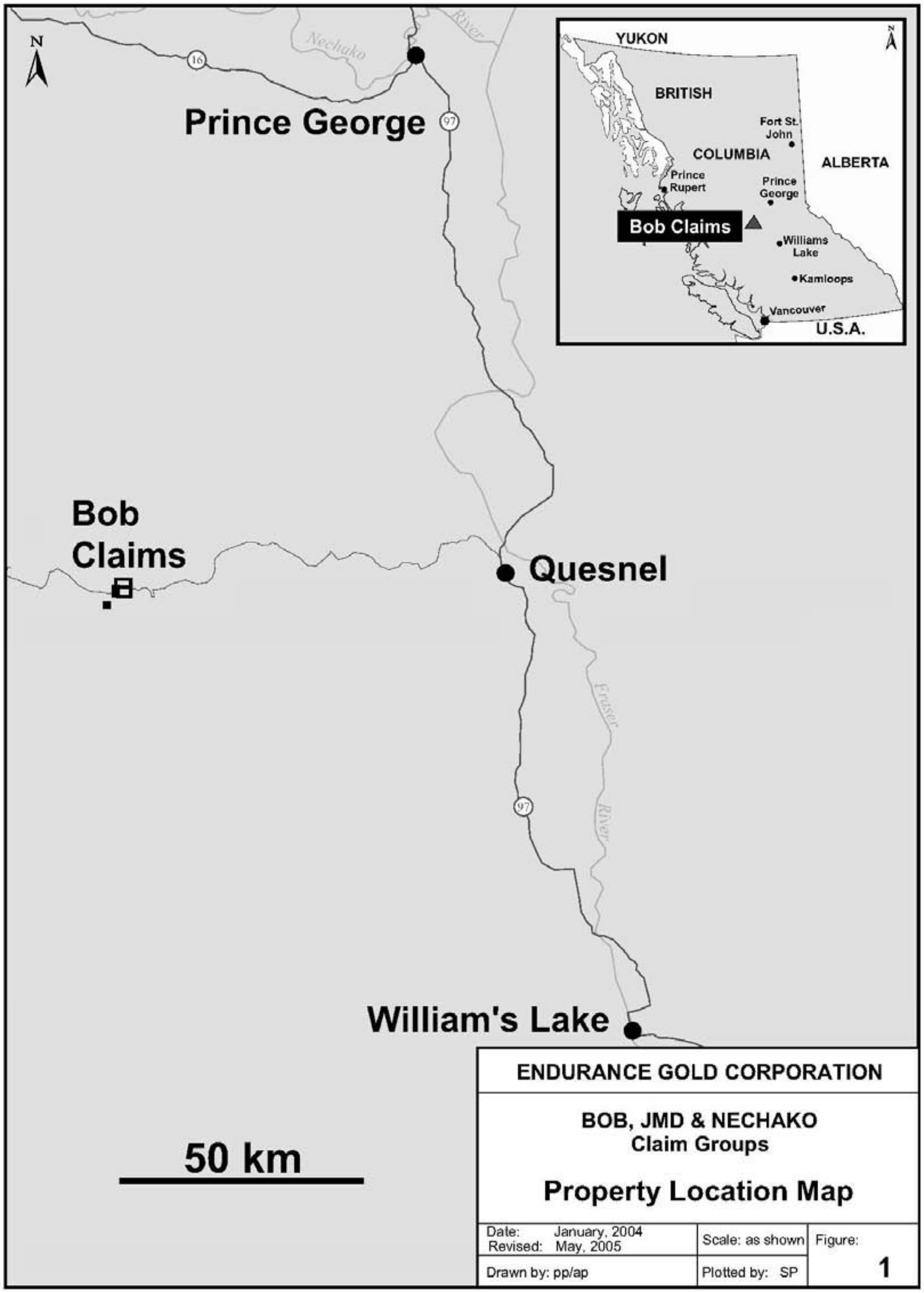
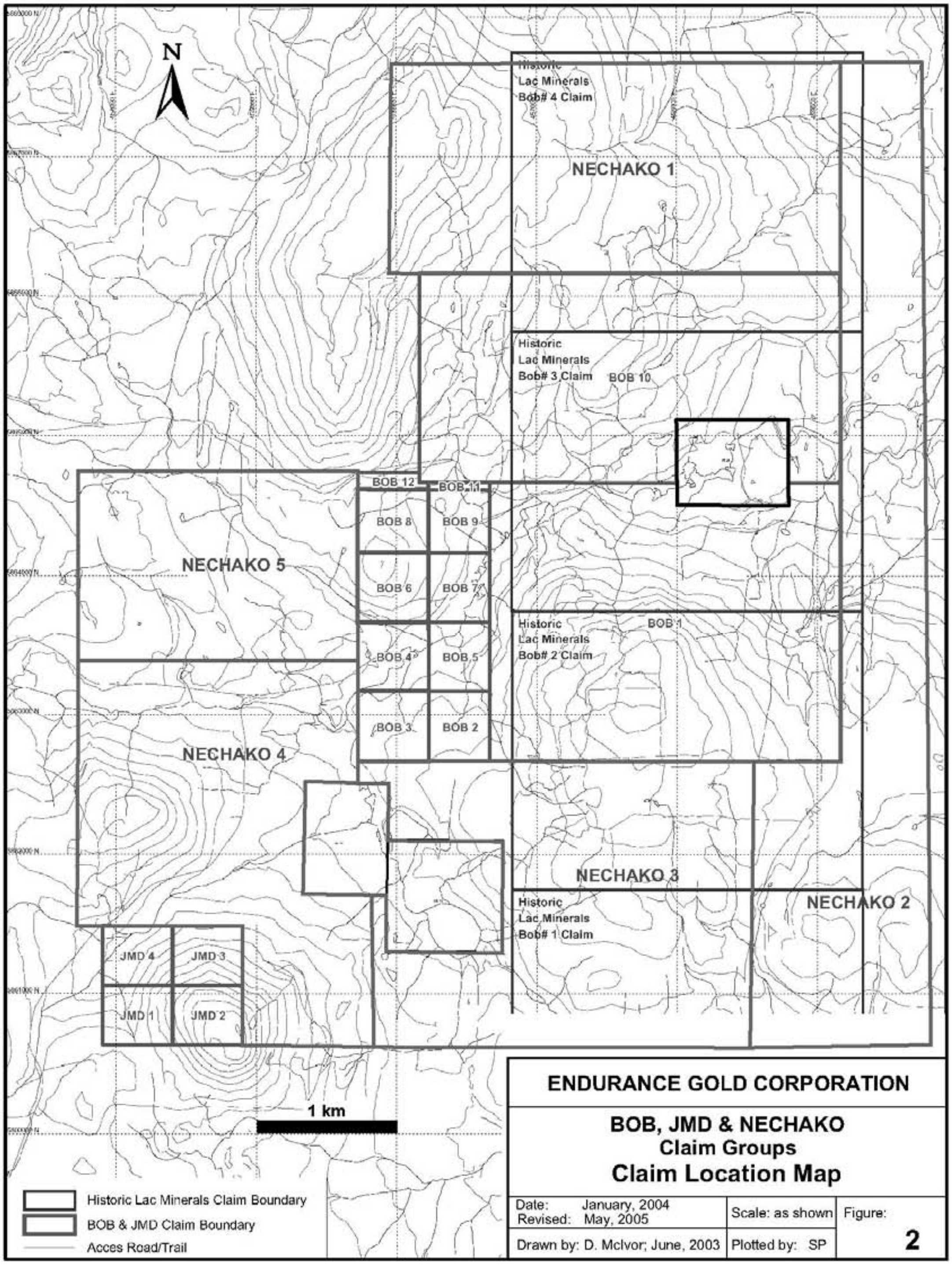


FIGURE 8: CLAIM MAP, NECHAKO GOLD PROJECT, B.C.



Accessibility, Climate, Local Resources, Infrastructure and Physiography

The Nechako Gold Project is located 75 kilometres due west of the city of Quesnel, in central British Columbia. Quesnel is a major forestry mill town, and provides all of the basic services required for exploration purposes. Access to the property is excellent. The all-season paved Nazko road extends westwards from Highway 97 at Quesnel to the Nazko Indian Reserve, which is located immediately northeast of the mineral claims. Food, fuel and accommodation are available in Nazko and the immediate vicinity, as is grid electrical power. High quality logging roads lead from the Nazko road, and thereby provide local access to most parts of the property.

The Nechako Gold Project area is characterized by low rolling hills, with elevations ranging between 900 and 1,170 metres a.s.l. Michelle Creek flows eastward through the BOB claim block; the creek valley is a broad, low-lying area of swamp and relatively thick glacial till cover. Elsewhere within the property area, uniform glacial till generally less than 10 metres thick covers the bedrock. Less than 10 % of the property area is outcrop exposure; exposures are usually limited to north- and west-facing hillsides.

Much of the property area has been clear-cut logged since 1985. The remaining forested areas contain a mixture of pine and spruce with minor alder undergrowth in low-lying areas. This region of British Columbia has been, and continues to be, seriously affected by the mountain pine beetle infestation, which has resulted in the on-going clear-cut logging operations in the area. As the infestation continues, the commercially harvestable timber is removed or killed, with the result that logging, the primary industry of the region, cannot be sustained. Mr. Pawliuk is of the view that mining can be an important alternative source of income for local communities.

The climate is typical of a moderate continental setting at this latitude. Relatively cold winter conditions occur from November through March, and temperate summer conditions occur between June and September.

History

There was no reported mineral exploration in the property area prior to 1983. The price of gold rose dramatically to above U.S. $500 per ounce in early 1983, triggering extensive gold exploration activity throughout British Columbia. The Nechako Plateau was recognized to be a favourable environment for hosting epithermal style gold mineralization. Widespread staking and early stage exploration was performed throughout the region.

Lac Minerals Ltd. (“Lac”) discovered anomalous gold and arsenic concentrations in soil during a regional reconnaissance of the area in 1983. Lac staked the BOB 1 to 4 mineral claims, totaling 80 units, to cover the geochemical anomalies. Figure 8 shows the historic (Lac) BOB claims with respect to the current BOB and JMD claims held by Amarc.

Following staking, Lac completed additional geochemical soil sampling from September 20 to 28, 1983. This work consisted of collecting 332 soil samples along grid lines spaced 500 metres apart, as well as along existing roads and trails, as access allowed. Soils were usually collected at 100 metres intervals along these lines and roads. All soils were analyzed for gold and arsenic; 27 of these soils were also analyzed for copper, lead, zinc, molybdenum, silver, mercury, fluorine and antimony. Based on statistical analyses of the results, gold concentrations in excess of 30 parts per billion (ppb) and arsenic concentrations in excess of 60 parts per million (ppm) were considered to be anomalous. The soil sampling results outlined coincident gold- and arsenic-in-soil anomalies measuring approximately 1,500 metres north-south by 1,000 metres east-west (Turna, 1984; Figure 9). These anomalies are located in the northern portion of the (Lac) BOB 2 claim and the southern portion of the (Lac) BOB 3 claim. Individual soil samples collected within this anomaly contain up to 1,000 ppb gold and up to 550 ppm arsenic (Turna, 1984). The small program cost approximately $7,200.

Lac excavated a series of pits within the previously identified gold-arsenic soil anomaly between May 20 and June 14, 1984. A total of 222 soil samples was collected and analyzed as part of this program, which confirmed the existence of the gold-arsenic soil anomaly, and also identified more isolated, "spot" anomalies along trend both to the north and south (Brown, 1984). Prospecting and associated geochemical rock sampling were also performed over portions of the property; some 94 rock samples were analyzed. The results of the geochemical rock sampling identified widespread, geochemically anomalous (ppb level) gold concentrations within variably altered chert pebble conglomerates. These rocks also contain anomalous concentrations of mercury, arsenic and antimony. The 94 rocks contained up to 760 ppb gold, in a sample collected along the (Lac) BOB 2 / BOB 3 claim boundary (Brown, 1984). Total costs incurred by Lac in completing this program were approximately $26,000.

Lac constructed 4,166 metres of drill access road between August 18 and 27, 1984. A total of 610 metres of backhoe trenching was performed from November 24 to December 5, 1984. The pits and trenches were mainly excavated within the previously identified geochemical soil anomaly. The trenches exposed an area of target conglomerates containing widespread hematite (after pyrite) mineralization. These conglomerates contain elevated concentrations of gold, arsenic, silver, mercury and antimony (Brown, 1985a). Total costs incurred by Lac in completing this program were $24,400.

Lac completed additional road construction and surface trenching during early May 1985 (Brown, 1985b). This work was not filed for assessment, so the results are not available.

Lac then completed 19 percussion drill holes totaling 1,169.7 metres between May 27 and June 9, 1985. The drill hole locations are shown on Figures 10. The 1985 percussion drilling program was designed to test three target areas, as described below.

Holes PDH85-1 to PDH85-5 were drilled to evaluate a weak, northerly trending gold and arsenic geochemical soil anomaly. Hole PDH85-1 intersected Cretaceous Skeena Group conglomerate and sandstone. Hole PDH85-2 intersected anomalous arsenic and mercury concentrations in sandstone underlying barren Paleocene andesite. Holes PDH85-3 and PDH85-4 intersected barren Paleocene andesite. Hole PDH85-5 intersected Skeena Group argillite. Because subcropping barren andesite locally underlies areas of anomalous gold and arsenic concentrations in soil, the validity of the geochemical soil anomalies was questioned by Lac (Brown, 1985b).

The second target for 1985 drilling was a scattered gold-arsenic geochemical soil anomaly located 300 to 400 metres north of the first target area. Holes PDH85-16 through PDH85-19 were drilled at this second target area. All of these holes encountered barren Paleocene andesite. The validity of the target geochemical soil anomaly here was also questioned by Brown (1985b).

The third, and primary, drill target of the 1985 drill program was the large, coincident gold-arsenic geochemical soil anomaly illustrated in Figure 9. Brown (1985b, page 4) states that the area of this geochemical soil anomaly has two "strong induced polarization chargeability anomalies". This statement is the only public record of Lac having performed induced polarization (IP) surveying on the Nechako Gold Project property. The results of this IP surveying were not made public through the assessment filing process. The IP chargeability anomalies trend north-south, and have weak or no resistivity responses Brown (1985b). Holes PDH85-6 through PDH85-15 were drilled to test the IP anomalies and the associated geochemical soil anomalies. The holes were drilled along azimuth 270 degrees, and inclined at 60 to 65 degrees, in order to be oriented approximately perpendicular to stratigraphy (see Figure 11).

Six of these drill holes intersected a thick sequence of variably altered polymictic chert pebble conglomerates of the Cretaceous Skeena Group, with interbedded sandstone, siltstone and argillite horizons. These conglomerates contain high concentrations of hematite and limonite (presumably after pyrite), and little pyrite. The near-surface IP chargeability anomaly could not be explained because of the near absence of sulphides in the rocks intersected by these six drill holes. However, barren Paleocene andesite, which occurs as patchy areas unconformably overlying the Skeena Group rocks within the property area, may possibly be the source of the IP chargeability response. Telford, Geldart, Sheriff and Keys (1976, p. 713) state that the typical chargeability response of rock containing 2% to 8% sulphides is 500 - 1,000 msec, and that the chargeability response of "dense volcanic rock" (i.e., andesite) is 100 - 500 msec.

Geochemically anomalous gold intercepts from the drilling are listed in Table 8 below. Most of the drill holes also contain anomalous concentrations of arsenic, mercury and antimony over substantial widths (Brown, 1985b). These intervals locally contain greater than 1,000 ppm arsenic and greater than 1,000 ppb mercury, which indicates the presence of a robust, geochemically attractive epithermal mineralizing system. Total expenditures incurred by Lac during 1985 were $39,600.

The positive results from the 1985 work were followed-up by additional drilling in the early summer of 1986. Twenty holes totaling 3,114.9 metres were drilled. Thirteen of these were reverse circulation (RC) drill holes, four were diamond drill holes and three holes were drilled using a combination of both RC and diamond drills. Hole locations are plotted on Figure 10. The 1986 drilling program was designed to further test and evaluate the alteration and mineralization encountered in the 1985 percussion drill holes. The 1986 drilling concentrated on areas of anomalous gold, arsenic, mercury and antimony concentrations within specific stratigraphic horizons: the target horizons included the C3 conglomerate around hole PDH85-15, the C2 conglomerate around hole PDH85-7 and the C2 conglomerate / S1 siltstone contact zone around holes PDH85-13 and -14 (Brown, 1986). Significant drill hole intersections are listed in Table 10.

Hole PDH85-15 returned 213 ppb gold across 39.6 m, from 88.5 to the bottom of the hole at 128.1 metres depth (Brown, 1985b). Hole RC86-18 was drilled 90 metres west of PDH85-15, and encountered an interval of 99 ppb gold across 24.4 metres associated with a feldspar porphyry dyke, and 53 ppb gold across 30.7 metres at the bottom of the hole within the C3 conglomerate (Brown, 1986). These holes are plotted on Composite Drill Section 3.

1985 RC drill hole PDH85-7 encountered C2 conglomerate with local traces of pyrite content; this conglomerate contained 460 ppb gold across 24.4 m, 775 ppm arsenic across 18.3 metres and 1,720 ppb mercury across 39.65 metres (Brown, 1985b). This intercept was followed-up by 1986 holes RC 86-10, RC 86-11, RC 86-12 and RC 86-15, which were all drilled within 300 metres of PDH85-7. All of the 1986 drill holes encountered sporadic anomalous gold, arsenic and mercury concentrations; the best intercept was 121 ppb gold across 97.5 metres in hole RC 86-12 (Brown, 1986).

Most of the 1986 drill holes were designed to follow-up intercepts in PDH85-13 (343 ppb gold across 94.55 metres and 1,746 ppb mercury across 118.95 m), and PDH85-14 (611 ppb gold across 64.05 metres and 1,422 ppb mercury across 64.05 m). Anomalous gold concentrations here had been encountered at three locations: within the overlying C2 conglomerate, at the C2 conglomerate / S1 siltstone contact, and within the underlying S1 siltstone. Holes RC/DDH 86-1, RC/DDH 86-3, RC 86-4, RC 86-5, RC 86-6, RC 86-7, DDH 86-9, DDH 86-13, DDH 86-16 and DDH 86-20 were all drilled within 350 metres of the anomalous intercepts in 1985 holes PDH85-13 and PDH85-14 (Figure 11). Geochemically anomalous gold intercepts from the 1986 drill holes are also listed in Table 8 below.

Significant intercepts from the 1986 drilling are plotted on Composite Drill Section #1 (Figure 10), and include:

- An interval of 546 ppb gold, 1,291 ppb mercury and 310 ppm arsenic across 45.5 metres occurs in DDH 86-13; this interval extends from the contact between the conglomerate and the siltstone into both of these two rock units.
- An interval of 256 ppb gold across 73.2 metres occurs in hole RC 86-6; this interval also extends from the contact between the conglomerate and the siltstone into both of these two rock units. Included within the intercept was an interval of fault gouge at the siltstone / conglomerate contact; this fault gouge contained 1,350 ppb gold across 3.05 metres (Brown, 1986).
- An interval of 221 ppb gold across 39.7 metres occurs in hole DDH 86-9; this interval is at and immediately above the conglomerate / siltstone contact; there are numerous quartz feldspar dykes intruding the sediments.
- An intercept of 448 ppb gold across 18.8 metres occurs below the conglomerate / siltstone contact in hole RC/DDH 86-1.
- An interval of 107 ppb gold across 55.0 metres occurs in hole RC 86-5; this interval is at and immediately above the conglomerate / siltstone contact.

Further to the south are the following significant drill hole intercepts; these are not plotted on Composite Drill Section #1.

- An interval of 160 ppb gold across 9.5 metres occurs in hole DDH 86-16; this interval is at the conglomerate / siltstone (argillite) contact.
- An interval of 360 ppb gold and 1,600 ppb mercury across 28.56 metres occurs in hole DDH 86-20, within siltstone immediately below the contact with the overlying conglomerate.
- An interval of 246 ppb gold across 27.45 metres occurs in RC 86-4; this interval extends from the contact between the conglomerate and the siltstone into both of these two rock units.

The results of the 1986 drilling indicated that three significant "stratigraphic targets" exist within the property area:

- The major C2 conglomerate / S1 siltstone contact, which had been delineated over an area measuring 400 metres by 250 metres across.
- Portions of the upper C2 conglomerate, with an unknown structural or stratigraphic control.
- Portions of the lower S1 siltstone, also with an unknown structural or stratigraphic control.

Lac's 1986 drill program cost $122,000, for a cumulative total expenditure from 1983 through 1986 of about $221,000. This total excludes work not applied as assessment.

Lac filed no assessment work on the BOB property after the 1986 drilling. Robert Brown (pers. comm., 2003), Lac's project geologist at the time of the work, stated that Lac completed diamond drill holes in 1987, within the area immediately northwest of the area drilled in 1986. The results of the 1987 work were reportedly similar to those of the 1986 drilling, i.e., geochemically anomalous but not ore grade intercepts. Duncan McIvor and J. Greg Dawson attempted to locate the historic Lac data pertaining to the BOB property area by contacting successor company Barrick Gold Corp. (“Barrick”), but Barrick personnel were unable to locate the original Lac files.

Lac allowed the BOB mineral claims to lapse in the early 1990's. No other work was reported in the property area until 1999, when Brett Resources Ltd. staked mineral claims covering the old Lac property. Brett Resources Ltd. did not file any assessment work, and their claims lapsed the following year. J. Greg Dawson staked the BOB 1 claim in May, 2003, after completing a review of gold projects in British Columbia that were open for staking. The other BOB claims were staked in July, 2003.

J. Greg Dawson was contracted by United Mineral Services, a private British Columbia exploration company owned by one of the principals of Amarc, to complete a preliminary reconnaissance of the southern Nechako Plateau in August 2003, as a separate exercise to any new work on the BOB claims. Forty-five man-days were spent prospecting and doing reconnaissance geochemical sampling within nine areas in N.T.S. map-sheets 93B, 93C and 93G. These nine target areas were selected by searching for areas underlain by Cretaceous age Skeena Group conglomerates with coincident, anomalous gold, arsenic or mercury geochemistry from regional geochemical survey data published by the government of British Columbia.

Dawson examined the area now covered by the JMD claims during the 2003 regional reconnaissance program. The geological mapping and rock sampling here identified zones of strongly argillic-altered and locally silicified Skeena Group conglomerates. These altered conglomerates, often stained by iron oxides, were traced in subcrop and float for a distance of 700 m. None of the rock samples from this area contained anomalous gold concentrations, but one rock did contain anomalous (1,950 ppb) mercury and arsenic (176.7 ppm) (Dawson, 2003). The four single-unit JMD claims were staked to cover this area of widespread, favourably altered, Skeena Group conglomerates with anomalous pathfinder geochemistry. The JMD claims were subsequently included with the BOB claims, and became part of the property.

Table 8
SUMMARY OF ANOMALOUS GOLD DRILL INTERCEPTS
NECHAKO GOLD PROJECT

Hole No.	Gold (g/t)	Width (m)	g/t Gold x m
PDH85-7	0.460	24.4	11.22
PDH85-10	0.280	6.1	1.71
	0.343	5.2	1.78
PDH85-13	0.343	94.6	32.45
PDH85-14	0.611	64.1	39.17
PDH85-15	0.213	39.6	8.44
RC/DDH86-1	0.448	18.8	8.42
RC86-2	0.204	21.4	4.37
RC/DDH86-3	0.195	15.3	2.98
	0.146	15.3	2.23
RC86-4	0.246	27.5	6.77
RC86-5	0.107	55.0	5.89
RC86-6	0.256	73.2	18.74
RC86-8	0.179	21.4	3.83
DDH86-9	0.221	39.7	8.77
RC86-10	0.054	39.8	2.15
RC86-11	0.059	100.7	5.94
RC86-12	0.121	97.5	11.80
DDH86-13	0.546	45.5	24.84
RC86-14	0.047	51.9	2.44
DDH86-16	0.160	9.5	7.74
RC86-17	0.195	39.7	7.74
RC86-18	0.099	24.4	2.42
DDH86-20	0.360	28.56	10.28

Geological Setting

The geological setting of the BOB and JMD mineral claims is not well-documented in the literature. The region was initially mapped by the Geological Survey of Canada at 1:253,440 scale (Tipper, 1959; 1961). The geology of the property region is presented in Figure 12. Widespread glacial till cover within the area hampers detailed geological mapping, but Tipper did recognize the area around the Nechako Gold Project (BOB) property as being underlain by Lower Cretaceous clastic sediments that correlate with the Skeena Group to the north. These sediments are mainly polymictic chert pebble conglomerate, with interbedded sandstone, siltstone and lesser argillite.

Unconformably overlying the Lower Cretaceous sedimentary rocks are andesite-basalt, basalt breccias and rhyolite breccias of probable Paleocene-Eocene age. These volcanic rocks are in turn overlain by Miocene basalts, and local Quaternary cinder basalts.

Glacial ice movement in the Nechako Gold Project property area was from south to north (Brown, 1985b).

Skeena Group conglomerates with lesser sandstone, siltstone and argillite are the main rock unit within the Nechako Gold Project property area. The rocks are exposed on hills in the south-central portion of the BOB 1 claim. Massive basalts and basalt breccias appear to unconformably overlie the Skeena Group rocks along the eastern edge of the property. Local, younger andesite-basalt cinder type volcanic rocks have been seen along the western side of the property.

Several narrow, quartz eye-feldspar porphyry dykes and/or sills of probable Tertiary age crosscut the Skeena Group sedimentary rocks (Turna, 1984). These dykes appear to strike generally north-south.

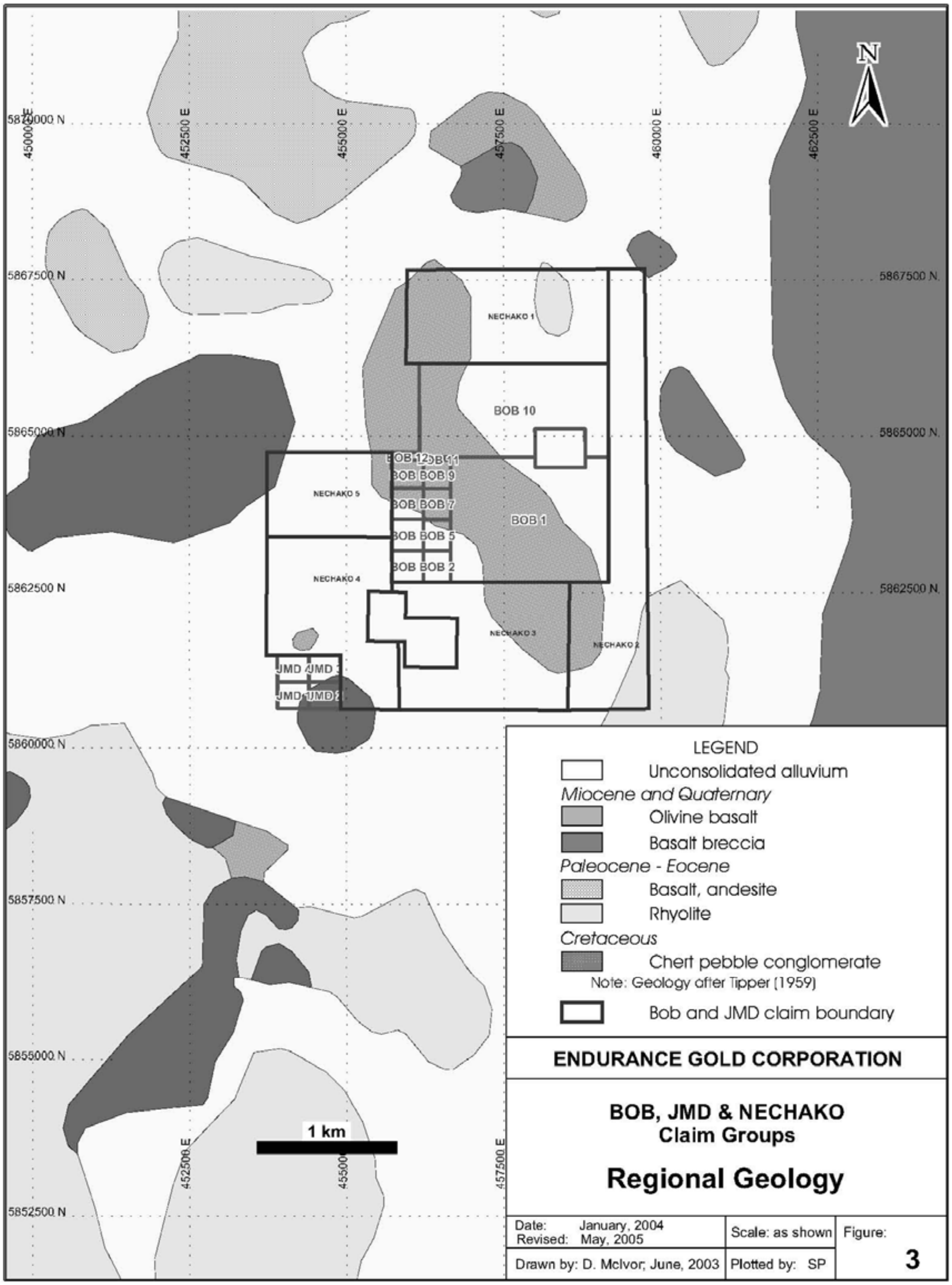
The Skeena Group sediments generally strike north-northeasterly, and dip 10 to 20 degrees to the southeast. These rocks locally exhibit variable bedding attitudes, suggesting local post-deposition folding. The sediments generally appear to have good lateral continuity, with local thickening, thinning and lateral facies changes.

Two prominent fracture sets within the exposed sediments strike north-northwesterly and north-northeasterly; both of these fracture sets have subvertical dips.

Anomalous concentrations of gold and pathfinder elements are associated with silicification and "clay" or argillic alteration within the property area, with lesser amounts of carbonate, feldspar and chlorite (Brown, 1986). Abundant hematite and limonite within 100 metres of the ground surface appear to reflect a deep oxidation profile, and also appear to be associated with anomalous concentrations of gold and the pathfinder elements arsenic, mercury and antimony. The hematite and limonite likely formed after primary (hypogene) pyrite. Pyrite occurs with minor amounts of arsenopyrite, stibnite and galena below about 100 metres depth; pyrite is locally seen higher in the section, nearby the Tertiary quartz eye-feldspar porphyry dykes.

The upper oxidized and altered zone within the sedimentary rocks is also characterized by replacement of feldspars by sericite and "clay". The alteration of these rocks is most intense along a stratigraphic contact between upper C2 conglomerate and underlying S1 siltstone; this contact appears to have been a major fluid conduit.

FIGURE 12: REGIONAL GEOLOGY OF THE NECHAKO GOLD PROJECT, B.C.



Deposit Types

The style of mineralization encountered to date on the Nechako Gold Project as well as the geological setting and age of that mineralization, is suggestive of a low sulphidation, epithermal gold deposit. The following outline of this deposit type is taken mainly from Panteleyev (1996), who described these deposits as quartz veins, stockworks and breccias containing gold, silver, electrum and pyrite, with lesser and variable amounts of sphalerite, chalcopyrite, galena, and, rarely, sulphosalts. These deposits occur in a high level, near surface structural environment. The ore commonly exhibits open space filling textures, and is related to volcanic hydrothermal or geothermal systems within a tectonic setting of either a volcanic island to continental margin magmatic arc, or continental volcanic fields with extensional structures.

These high level hydrothermal systems usually occur at depths ranging from about 1 kilometre to the surface, where they occur as hotsprings. These hydrothermal systems are spatially related to regional scale fracture systems associated with grabens, calderas, flow dome complexes, or, within volcanic fields, with extensional structures such as normal faults or splay faults. Clastic sediments associated with the structural controls to mineralization such as grabens and calderas are often present, as are high level sub-volcanic stocks and/or dykes related to underlying intrusive complexes.

Most of the known epithermal gold deposits in British Columbia are of Tertiary age. However, Jurassic age deposits are important in other parts of the Cordillera; there is no apparent age constraint to mineralization.

The epithermal orebodies are generally localized along structures, but also occur in permeable lithologies. Upward-flaring ore zones centered on the structurally controlled hydrothermal conduits commonly have associated veins and vein stockworks. Disseminated and replacement mineralization are less commonly associated with epithermal ore bodies. Epithermal vein systems can be laterally extensive, but usually have a restricted vertical extent.

Classic epithermal textures include open space filling, symmetrical layering, crustification, comb structures, colloform banding and multiple stages of brecciation.

Ore mineralogy in epithermal deposits typically includes pyrite, electrum, native gold, native silver and argentite, with lesser amounts of chalcopyrite, sphalerite, galena, tetrahedrite, sulphosalts and selenide minerals. The deposits show a strong vertical zonation, from gold- and silver-rich tops to silver- and base metal-rich bottoms. The upper portions of the system typically have a gold-silver-arsenic-antimony-mercury geochemical signature. The lower portions of the system tend to contain gold, silver, lead, zinc and copper. Gangue minerals include quartz, amethyst, chalcedony, quartz psuedomorphs after calcite, calcite, adularia, sericite, barite, fluorite, carbonates, hematite and chlorite.

Silica alteration is the most common type of alteration associated with epithermal deposits. The silicified areas are often flanked by sericite-, illite- and kaolinite-altered areas, or by kaolinite-, illite- or montmorillonite-altered zones. Argillic alteration minerals (kaolinite-alunite) may form at the tops of the deposits, while propylitic alteration usually occurs at depth and around the periphery of the deposits.

While low sulphidation epithermal deposits can contain bonanza ore grades, they are not usually large deposits. The worldwide mean mine deposit size is 770,000 tonnes grading 7.5 grams per tonne (gpt) gold and 110 gpt silver, with minor associated base metal credits (Panteleyev, 1996).

Mineralization

Lac drilled at least 39 holes within the Nechako Gold Project area in the mid-1980's. The results of this drilling outlined an area of geochemically anomalous gold concentrations with associated elevated concentrations of arsenic, mercury and antimony within Cretaceous age sedimentary rocks. Significantly anomalous concentrations have been defined over an area measuring at least 1,000 metres north-south by 500 metres east-west; this area is open both to the north and to the east (see figures 9 and 10). The results of the drilling show that mineralization and associated alteration appear to have three preferred stratigraphic settings:

- An upper mineralized "horizon" within a coarse, polymictic chert pebble conglomerate named C2 by Lac.
- The contact between the C2 conglomerate and an underlying sequence of interbedded siltstones, sandstones and lesser argillite, termed the S1 Formation by Lac. This contact zone contains the most intensely altered rocks yet recognized on the property, and is likely a major fluid conduit for the mineralizing epithermal system.

- A lower zone of mineralization within the S1 Formation siltstones.

Younger, Paleocene andesite and basalt cover the Cretaceous Skeena Group sediments to the south. The down-dip, eastward extension of the sediments is largely untested. The northern extension of the mineralized area also remains, to the best of Mr. Pawliuk's knowledge, largely untested. However, Lac may have drilled in this area in 1987 (R. Brown, pers. comm., 2003); no records of Lac's work on the property in 1987 have been located.

Work on the Nechako Gold Project to date has not delineated any major structural controls or conduits related to the epithermal mineralization. Such structural controls would normally be expected to occur in this geologic environment, and are a target or focus for future exploration work on the property. Any structural controls may be significant on a regional scale.

Exploration by the Company

The Company has not yet completed any exploration work on the Nechako Gold Project, but plans to carry out a program of work using the proceeds of the Offering. See item 4 "Use of Proceeds".

FIGURE 9 - GEOCHEMICAL SAMPLING & HISTORIC GOLD SOIL ANOMALIES, NECHAKO GOLD PROJECT, B.C.

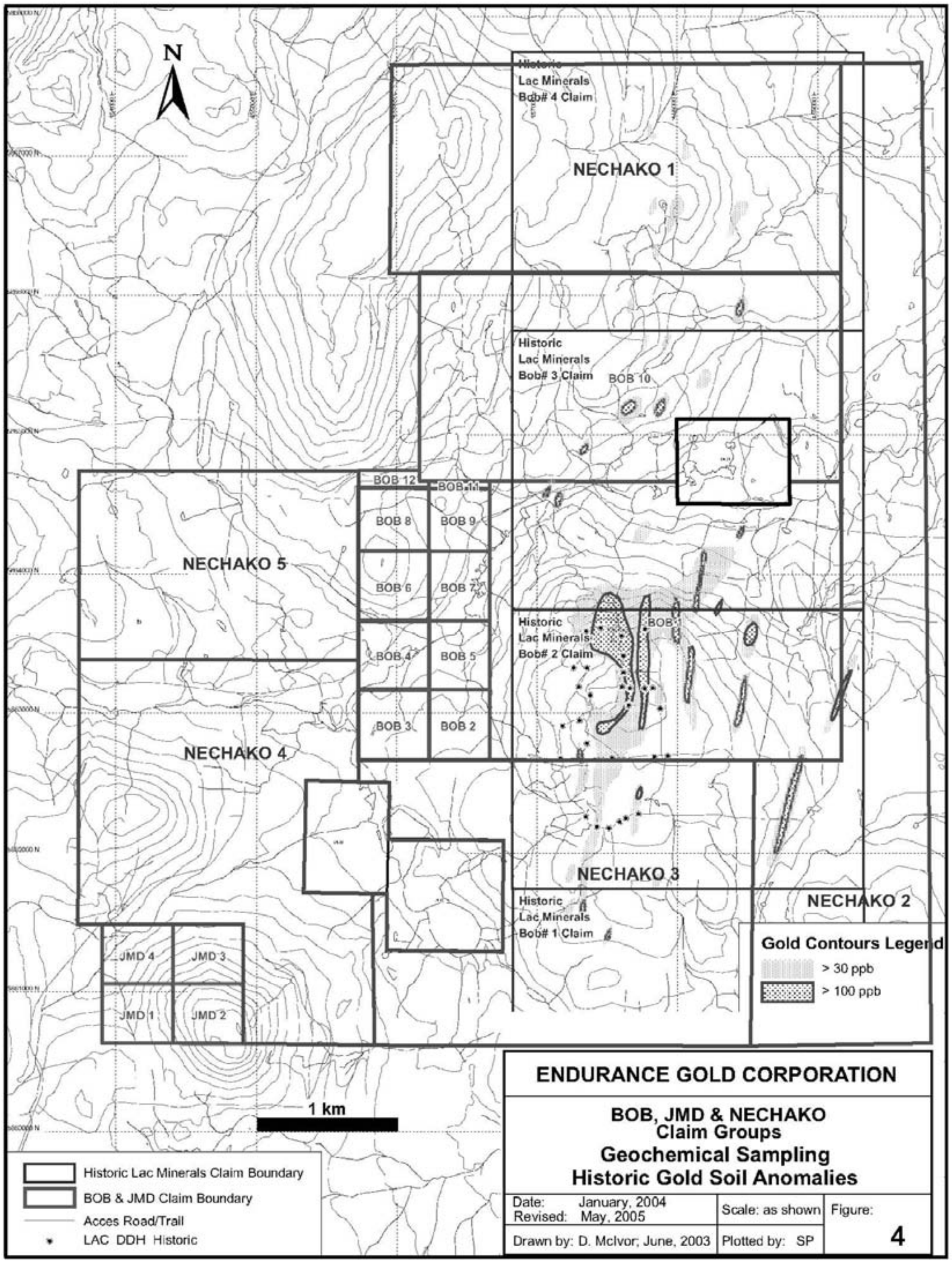


FIGURE 10 - 1985-86 DRILL HOLE PLAN, NECHAKO GOLD PROJECT, B.C.

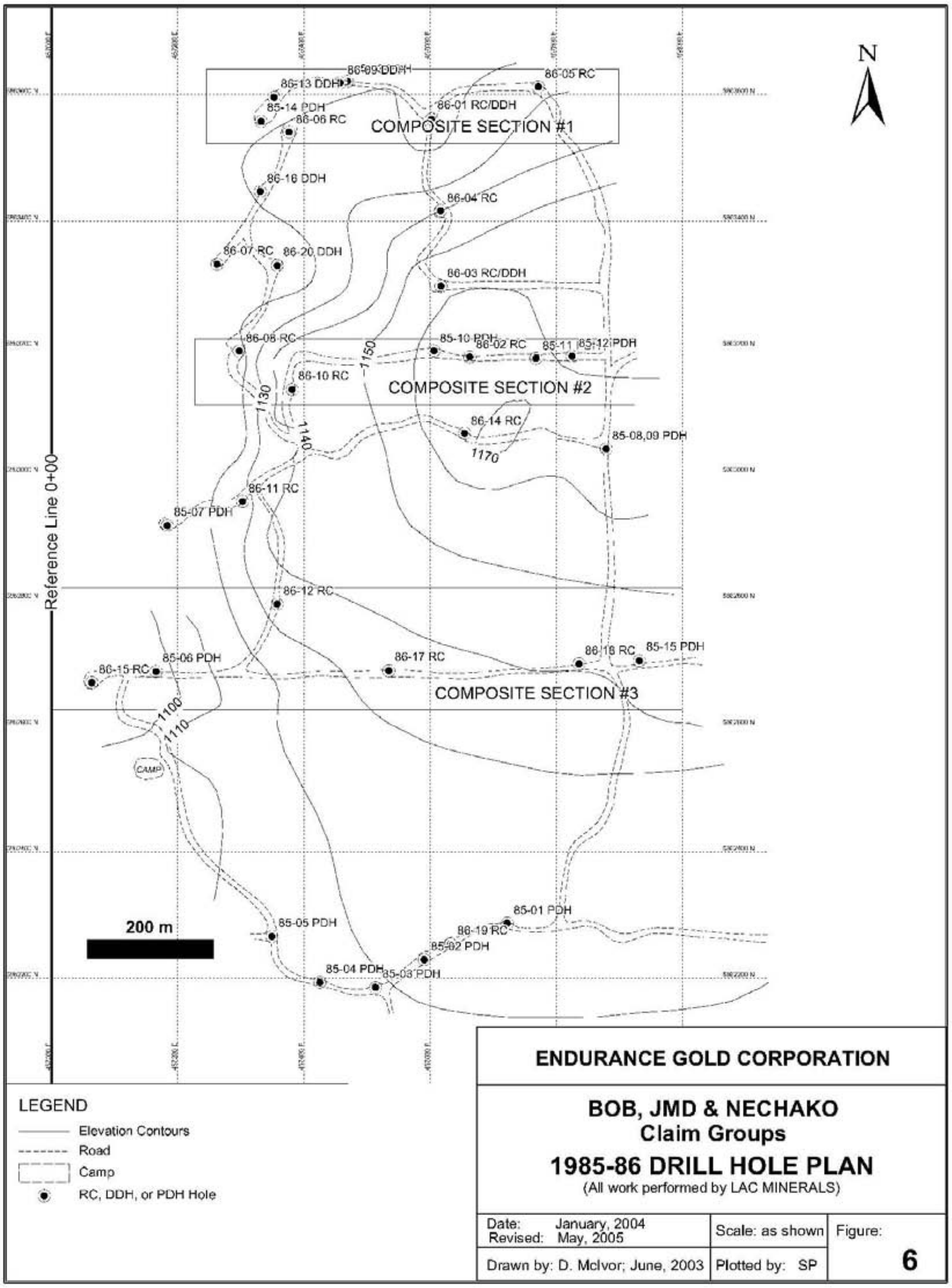
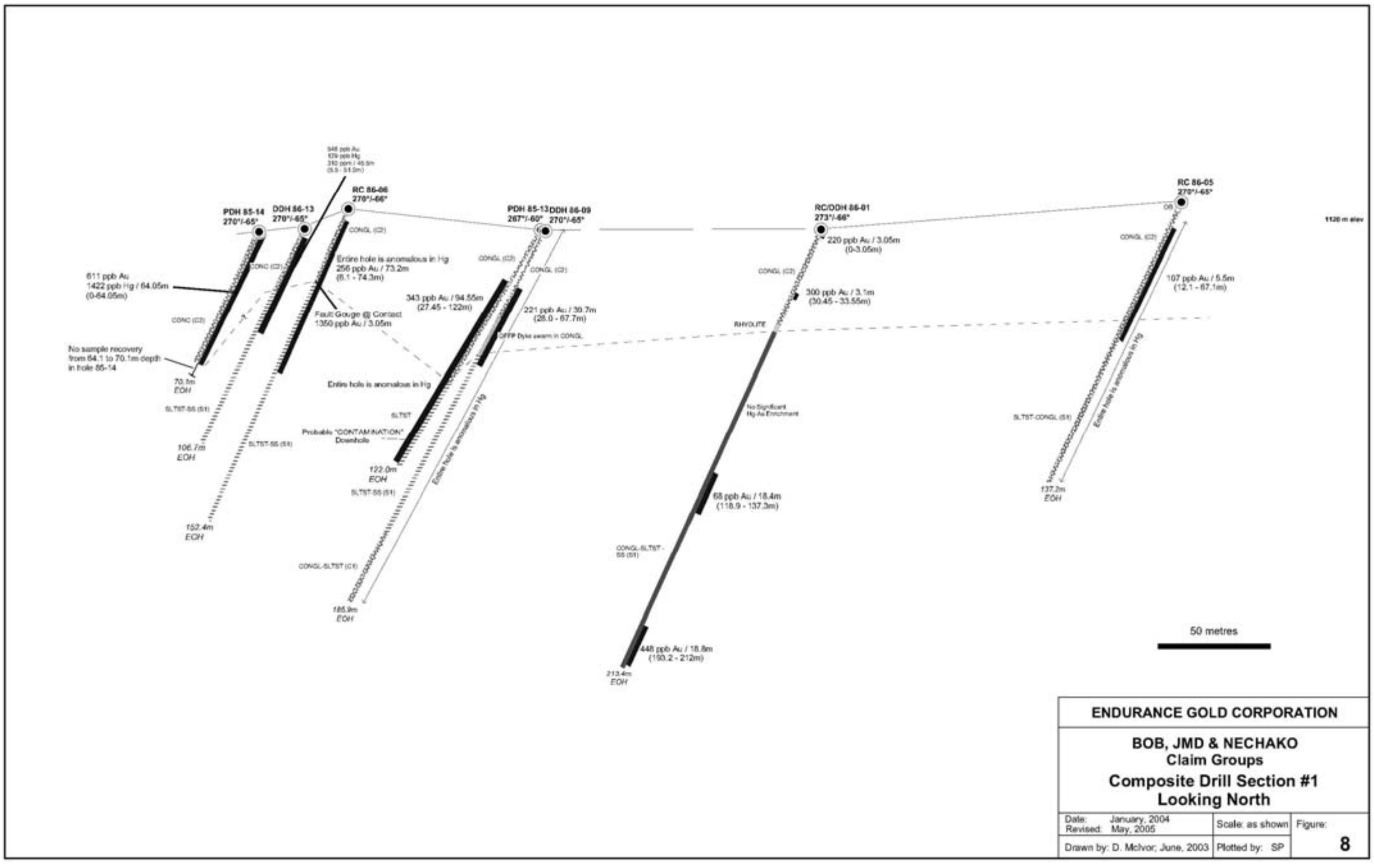


FIGURE 11 - COMPOSITE DRILL SECTION #1, NECHAKO GOLD PROJECT



Sample Method and Approach

Mr. Pawliuk collected four geochemical rock samples from the Nechako Gold Project area on November 2, 2004.

Sample Preparation, Analyses and Security

The rock samples were bagged, and then shipped via bus to the ALS Chemex laboratory in North Vancouver, British Columbia.

The rocks were analyzed for gold by geochemical fire assay, solvent extraction and atomic adsorption spectrometry. Subsamples of 30 grams were analyzed. The rock samples were also analyzed for silver, mercury, arsenic, antimony and 24 other elements by aqua regia acid digestion.

Data Verification

The results of historic work on the property show that anomalous concentrations of gold, mercury, arsenic and antimony locally occur in Cretaceous age Skeena Group chert pebble conglomerate from the central part of the BOB claims. Mr. Pawliuk here collected four geochemical rock samples, in order to attempt to verify the existence of anomalous metal concentrations in rocks from this area.

The analytical results for the four rock samples collected by Mr. Pawliuk show that the rocks contain from 30 to 138 ppb gold, 102 to 656 ppm arsenic, 40 to 1,230 ppb mercury and from 8 to 73 ppm antimony.

All of these rocks contain anomalous concentrations of arsenic, and two contain anomalous concentrations of gold. One rock contains anomalous concentrations of mercury. The results of geochemical rock sampling by Mr. Pawliuk confirm the existence of anomalous concentrations of these metals, as is documented in historic work by Lac on the BOB claims.

Adjacent Properties

As at the date of the Pawliuk Report, there were no adjacent properties to either the BOB or JMD claim blocks. However, in January, 2005, the Company acquired by staking five claims which are contiguous to the BOB claims, and now form part of the Nechako Gold Project.

Interpretation and Conclusions

Work by Lac from 1983 through 1987 identified a previously unrecognized epithermal gold system by the presence of anomalous concentrations of gold, arsenic, mercury and antimony in soils, surface rocks and drill holes.

This epithermal system exhibits the characteristics of a low sulphidation deposit type, and mineralization defined to date appears to occur at a relatively high structural level.

Drilling to date has identified three favourable horizons within the stratigraphic column: an upper conglomerate-hosted horizon; a middle horizon related to the contact between an overlying conglomerate and underlying siltstone; and a deeper siltstone-hosted horizon.

The most widespread alteration and most intense geochemical enrichment occur at the middle contact horizon referred to above, suggesting fluid flow was focused along permeability boundaries.

The anomalous mineralization defined to date extends over an area at least 1,000 metres north-south by 500 metres in an east-west direction. This mineralized area appears to be open both along strike to the north and down-dip to the east.

No regional scale or local scale structural control or conduit has yet been identified as a feeder to the epithermal system on the Nechako Gold Project property. Such a control or conduit is a valid exploration target, both on a property scale and on a regional scale.

The anomalous concentrations of gold, arsenic, mercury and antimony defined to date, combined with the amount and intensity of related alteration and the size of the mineralized area, indicate that the Nechako Gold Project property has the potential to host a significant epithermal gold deposit.

Recommendations and Budget

A staged program of recommended exploration for the Nechako Gold Project is outlined below.

- All of the original drawings from Lac's assessment reports filed at Victoria should be carefully reproduced, to facilitate a better compilation and evaluation of the historic data pertaining to the property. The reproduced drawings available through the British Columbia and Yukon Chamber of Mines in Vancouver, which were used in the preparation of this technical report, are of marginal to poor quality.
- Further attempts should be made to locate the missing Lac data pertaining to the IP surveying and the 1987 drilling; this work was not filed for assessment. Subsequent to obtaining the above data, all information pertaining to the property should be compiled in detail (1:5,000 scale).
- A cut grid should be established on the BOB claim block to facilitate future exploration. The grid baseline should be oriented north-south, with east-west crosslines at 200 metres intervals, and labelled pickets spaced 25 metres apart along the crosslines. A total of approximately 63 line-kilometres of cut lines will be required to cover the BOB claim block. This grid should be tied-into the historic Lac grid and the existing logging roads.
- A similar grid totaling 5 line-kilometres should be cut to cover the JMD claim block.
- An orientation deep spectral IP survey should be completed along at least five of the east-west crosslines within the BOB claim block. These lines should cover the known extent of the epithermal system, based on anomalous geochemistry and alteration. The IP work should be performed over 3.5 line-kilometres along each of the five crosslines, for a total initial coverage of 17.5 line-kilometres.
- Three lines totaling 3 line-kilometres of deep spectral IP should also be performed over the JMD claims.
- Reconnaissance-scale geological mapping should be performed over the JMD claims, and also over the western portion of the BOB claims that was not mapped during historic work by Lac.
- Geochemical soil sampling should be completed over the JMD claims, and over the western portion of the BOB claims; this area was not sampled during historic work by Lac. About 900 geochemical soil samples would be required to complete the recommended soil sampling.
- If the deep spectral IP surveying successfully delineates linear, coincident high chargeability and high resistivity anomalies, additional staking should be performed to protect the land position.
- Deeply buried targets resulting from the IP surveying should be tested with a minimum initial program of 2000 metres of diamond drilling. An additional 500 metres of diamond drilling should be allocated towards testing near-surface targets: these targets would include untested geochemical soil anomalies defined by Lac, and any new geochemical soil anomalies resulting from the results of the Phase One soil sampling program recommended above.

Budget

Based on the exploration program recommended above, a staged budget for 2005 work on the Nechako Gold Project is outlined as follows:

Phase One

On-going data reproduction and compilation

1 Geologist for 15 days @ $400 per day:	$6,000

Linecutting

68 line-kilometres @ $250 per kilometres:	$17,000

Deep spectral IP surveying

20.5 line-kilometres @ $2,500 per kilometres:	$51,250

Reconnaissance geological mapping	
1 Geologist for 15 days @ $400 per day:	$6,000
1 Field Assistant for 15 days @ $275 per day:	$4,125
Food and accommodation @ $70 per man-day:	$2,100
Field supplies:	$800
Vehicle rental, fuel and maintenance:	$1,800
Analytical costs: 200 samples @ $20 per sample:	$4,000
Total reconnaissance geological mapping:	$18,825
Soil sampling	
Sample collection, 20 man-days @ $275 per day:	$5,500
Food and accommodation:	$1,400
Field supplies:	$500
Vehicle rental, fuel and maintenance:	$1,000
Analyses - 900 samples @ $20 per sample	$18,000
Total soil sampling program:	$26,400
Report preparation	
For reporting on all of the above work, including drafting:	$5,375
Subtotal Phase One	**$124,850**

Phase Two

(contingent on the identification of multiple targets from Phase One work)

Additional claim staking	
64 units @ $100 per unit:	$6,400
Diamond drilling	
2,500 metres at an all-inclusive (drilled, logged, split, sampled) cost of $120 per metre:	$300,000
Subtotal Phase Two	**$306,400**
TOTAL PHASE ONE AND PHASE TWO PROGRAMS:	**$431,250**

The Company intends to fund Phase 1 of the recommended exploration program at an estimated cost to the Company of $124,850 from the proceeds of the Offering. See item 4 “Use of Proceeds”.

The foregoing summary of the Nechako Gold Project is taken in part from, and is based in reliance on the Pawliuk Report.

Known Reserves

There are no known ore reserves for the Nechako Gold Project. **The Nechako Gold Project is without a known body of commercial ore and the proposed program is an exploratory search for ore. See item 18 “Risk Factors”.**

Underground and Surface Plant and Equipment

There is no surface or underground plant or equipment on the Nechako Gold Project and there has been no underground exploration on the Nechako Gold Project.

4. USE OF PROCEEDS

4.1 Proceeds

The estimated net proceeds to be derived from the Offering, before deduction of the expenses of the Offering and after deducting the Agent's Commission of $150,000 (assuming the Agent's Commission is paid in cash), will be $1,850,000.

4.2 Funds Available

The Company will receive estimated net proceeds from the Offering of $1,850,000, which will be combined with working capital deficiency of approximately $12,000 as of April 30, 2005, for a total of approximately $1,838,000 in funds available.

4.3 Principal Purposes

The funds available will be allocated as follows:

	Purpose for which funds are raised	**Amount** [2]
1.	Exploration Programs: [1] Dogpaw Property – Phase 1 (2004-2005) Nechako Gold Project – Phase 1	 $277,600[1] $124,850[1]
2.	Administrative expenses in the amount of $26,000 per month for the Company over a period of 12 months	$312,000
3.	Estimated expenses of this issue (including legal, audit, printing, and listing fees)	$80,000
4.	To pay balance of Agent's selling expenses (estimated)	$15,000
5.	To provide working capital, a reserve for further work on the Dogpaw Property and the Nechako Gold Project, and to identify additional potential property acquisitions.	$1,028,550[1]
	Total:	**$1,838,000**

(1) The gross proceeds from the sale of the FT Shares (up to $1,200,000) will be used by the Company to incur CEE, which will be renounced to the purchasers. See item 17 "Canadian Income Tax Considerations".

(2) Any funds that may be received as a result of the exercise of the Warrants, Agent's Compensation Options and the Agent's Warrants are not included.

The general and administration expenses for the 12-month period following the completion of the Offering are estimated to be as follows:

Category	**Average Monthly Total**	**12-Month Total**
Salaries and Benefits	$14,400	$172,800
Legal and accounting	2,000	24,000
Corporate expenses	2,000	24,000
Rent, taxes, and utilities	1,800	21,600
Telephone and Fax	300	3,600
Travel, lodging, meals	1,000	12,000
Miscellaneous costs	1,000	12,000
Bank and finance charges	200	2,400
Insurance	3,000	36,000
Computer equipment, software, misc.	300	3,600
Recruiting, training, employee relations	0	0
Total:	**$26,000**	**$312,000**

The Company will spend the funds available on the completion of the Offering to carry out its proposed exploration and development program set out in item 3.1A “Dogpaw Property” and item 3.1B “Nechako Gold Project”. There may be circumstances where, for sound business reasons, a re-allocation of funds may be necessary. The Company will only redirect the funds to other properties on the basis of a written recommendation from an independent, professional geologist or engineer.

The Company’s working capital available to fund ongoing operations will be sufficient to meet its administration costs for at least 12 months.

5. SELECTED CONSOLIDATED FINANCIAL INFORMATION AND MANAGEMENT'S DISCUSSION AND ANALYSIS

5.1 Annual Information

The Company was incorporated on December 16, 2003 under the *Canada Business Corporations Act*, and on December 31, 2004 completed its first fiscal year. On August 16, 2004 the Company continued into the Province of British Columbia and was discontinued under the *Canada Business Corporations Act*. The Company was formed to own the Dogpaw Property as described in item 2.1 herein. By letter of intent dated December 5, 2003 the four Vendors agreed to transfer the Dogpaw Property to the Company in consideration of the issuance of 2,000,000 Common Shares at a deemed price of $0.107 per Common Share. The four Vendors and the Company entered into a shareholders’ agreement dated December 30, 2003, pursuant to which, among other things, the Vendors agreed to fund capital requirements of the Company in its private stage on a proportionate basis. By agreement dated November 3, 2004, Amarc granted an option to the Company to acquire an undivided 60% interest in the Nechako Gold Project in consideration of the issuance of 250,000 Common Shares of the Company and the Company incurring $250,000 in exploration expenses.

5.2 Dividends

No dividends have been paid on any Common Shares of the Company since the date of incorporation nor is it intended to pay a dividend on any of its Common Shares in the immediate future. Dividends will, in all probability, only be paid in the event the Company successfully brings one of its properties into production.

5.3 Management’s Discussion and Analysis

General

The Company explores for minerals with a strong emphasis on gold, and has no operating property. The Company has no earnings and therefore finances these exploration activities by the sale of Common Shares. The key determinants of the Company's operating results are the following:

(a) the state of capital markets, which affects the ability of the Company to finance its exploration activities;
(b) the writedown and abandonment of mineral properties as exploration results provide further information relating to the underlying value of such properties; and
(c) market price for gold.

Set forth below is a brief summary of the Company's financial operations since incorporation on December 16, 2003. For more detailed information, reference is made to the financial statements attached hereto and forming a part hereof.

Results of Operations

For the period from incorporation on December 16, 2003, to December 31, 2004, the Company experienced a net loss of $148,592. Included in the expenses is $71,742 in management fees and $44,527 in professional fees. Other expenses in the period related to costs associated with incorporating and maintaining the Company.

The Company has financed all of its activities by the sale of Common Shares for cash to the four shareholders who sold to the Company their interest in the Dogpaw Property. To the date of this Prospectus, the amount raised is $694,974.

Liquidity and Capital Resources

As at December 31, 2004 the Company had cash and receivables of $35,226, and a working capital deficiency of $146,277.

During the period ended December 31, 2004, the Company incurred costs associated with resource property exploration on the Dogpaw Property of $583,266. The main costs to date relating to the exploration of the Dogpaw Property are the costs associated with diamond drilling of $207,091 and acquisition costs of $214,000.

Stock Options

In March 2005, the Company granted to directors, officers and key employees options to purchase Common Shares in the Company. See item 9 "Options to Purchase Securities".

Outlook

The net proceeds from the Offering will enable the Company to conduct Phase I Exploration Programs on the Dogpaw and Nechako Gold Properties as well as provide the Company with funds in order to identify additional exploration properties.

6. DESCRIPTION OF SECURITIES TO BE DISTRIBUTED

The Offering consists of up to 4,800,000 FT Shares at a price of $0.25 per FT Share and up to 3,200,000 Units of the Company at a price of $0.25 per Unit. The FT Shares will be issued as "flow-through" shares under the Tax Act. Each Unit will consist of one Common Share and one Warrant. Each Warrant will entitle the holder to purchase during the Exercise Period, one Warrant Share of the Company at a price $0.35 per share during the first 12 months of the Exercise Period and at a price of $0.45 thereafter. The Company may force the exercise of the Warrants if during the second year of the Exercise Period, the closing price of the Common Shares of the Company on the Exchange equals or exceeds $0.90 per Common Share for 20 consecutive trading days. Pursuant to the Agency Agreement, the Agent will receive the Agent's Compensation Options, 75,000 Fee Units to be paid as part of the Corporate Finance Fee and that part of the Agent's Commission which the Agent elects to be paid in the form of Units. See "Plan of Distribution". This Prospectus also qualifies the distribution of 120,000 Common Shares to be issued in respect of the Nechako Gold Project. See item 3.1(B) "Nechako Gold Project, British Columbia – Property Description and Location".

Common Shares

For particulars of the Common Shares, see item 7 "Description of Share Capital".

Warrants

A definitive warrant certificate setting forth the rights, terms and conditions of the Warrants will be issued to purchasers of Units at Closing. The following is a summary only and is qualified and subject to the more detailed provisions of the warrant certificate. Each whole Warrant will entitle the holder to purchase one Common Share at anytime and from time to time within 24 months from the date of issuance at a price of $0.35 during the first 12 months of the Exercise Period and $0.45 thereafter. The Warrants are transferable. Holders of Warrants do not have any voting right or other right attached to Common Shares until the Warrants are properly exercised as provided for in the warrant certificate. The warrant certificate contains provisions designed to protect the holders of Warrants against dilution upon the occurrence of certain events. An adjustment in the number of Common Shares issuable upon exercise of the Warrants and/or the exercise price per Common Share will be made in the event of the subdivision or consolidation of the Common Shares or a stock dividend or other distribution of Common Shares or securities convertible or exchangeable into Common Shares, is made to holders of all or substantially all of the Common Shares. In addition, the warrant certificate also provides for an adjustment in the class and/or number of securities issuable upon exercise of the Warrants and/or subscription price in the event of: a reclassification or other change in the Common Shares; a capital reorganization of the Company; or a consolidation, merger or amalgamation of the Company with another corporation or entity; or the transfer of all or substantially all of the assets and undertaking of the Company. The Agent's Warrants issued to the Agent as part of the Fee Units, and the Agent's Warrants issued to the Agent in the event that the Agent elects to receive all or part of the Agent's Commission in the form of Units, will have the same terms and conditions as the Warrants.

Flow-Through Common Shares

The FT Shares will be issued as "flow-through shares" as defined in subsection 66(15) of the Tax Act and will have the same attributes as the Common Shares in all respects except for the income tax benefits associated with the purchase of flow-through shares. See item 7 "Description of Share Capital" and item 17 "Canadian Income Tax Considerations". Subscriptions for the FT Shares will be made pursuant to one or more subscription agreements, substantially in the form attached hereto as Schedule "A" to be made between the Company and the subscribers and executed by the Agent or one or more sub-agents of the Agent, as agent for, on behalf of and in the name of the subscribers of FT Shares (the "Subscription Agreement") or by a subscriber. The execution and delivery of the Subscription Agreement by the Agent or sub-agent of the Agent on behalf of the subscriber will bind the subscriber to the terms thereof as if such subscriber had executed the Subscription Agreement personally. The Agent, in turn, acknowledges that it will have the authority to bind a subscriber under the Subscription Agreement upon receipt of an order to purchase FT Shares from the said subscriber Subscription and renunciation agreements for the FT Shares contain, *inter alia*, the following representations and warranties made by the subscriber to the Company:

(a) the subscription by the subscriber is subject to the acceptance of the Company and is effective only upon such acceptance;

(b) each subscriber has received and reviewed a copy of this Prospectus;

(c) each subscriber waives any right he or she may have to any federal or provincial credits, grants or similar or like payments, other than as set out in this prospectus arising or resulting from the incurring of CEE (as defined herein) and acknowledges that such credits, grants and similar or like payments shall belong to, be vested in and accrue solely to the benefit of the Company;

(d) each subscriber is not a non-resident of Canada for the purposes of the Tax Act;

(e) each subscriber is of the full age of majority and has the legal capacity and competence to enter into and be bound by the subscription and renunciation agreement and take all actions pursuant thereto; and

(f) the subscriber presently deals, and will at all relevant times continue to deal, at arm's length with the Company for the purposes of the Tax Act.

Pursuant to the subscription and renunciation agreement, the Company will covenant and agree:

(a) to incur on or before December 31, 2005 and renounce to the subscriber effective on or before December 31, 2005, CEE (as defined below) in an amount not less than $0.25 per FT Share purchased. Amounts so renounced will be eligible for deduction by the subscriber in computing income for 2005; and

(b) that if the Company does not renounce to such subscriber, effective on or before December 31, 2005, CEE equal to such amount, or if there is a reduction in such amount renounced pursuant to the provisions of the Tax Act, the Company shall indemnify the subscriber for an amount equal to the amount of any tax payable under the Tax Act (and under any corresponding provincial legislation) by the subscriber as a consequence of such failure or reduction.

Purchasers of Units will not receive certain benefits under the Tax Act which are particular to the FT Shares.

Agent's Compensation Options

The Agent's Compensation Options are not transferable and may be exercised at any time and from time to time within two years of issuance at a price of $0.25 per Unit. The Agent's Compensation Options will provide for adjustment in the number of Units issuable upon exercise thereof upon the occurrence of certain events, including the subdivision or consolidation of the Common Shares.

Agent's Fee Units

75,000 Fee Units will be issued to the Agent on the Closing as part of the Corporate Finance Fee. The Fee Units have the same terms and conditions as the Units.

Commission Units

The Agent will receive a commission equal to 7.5% of the gross proceeds of the sale of the FT Shares and Units. The Agent may elect, at any time on or before the Closing Date, to receive all or any part of such commission in the form of Units at a deemed price of $0.25 per Unit.

7. DESCRIPTION OF SHARE CAPITAL

7.1 Common Shares

The authorized capital of the Company consists of an unlimited number of Common Shares without par value of which 8,495,086 Common Shares issued and outstanding as of the date of this Prospectus.

All of the authorized Common Shares of the Company are of the same class and, once issued, rank equally as to dividends, voting powers and participation in assets. No Common Shares have been issued subject to call or assessment. There are no pre-emptive or conversion rights and no provisions for redemption or purchase for cancellation, surrender, or sinking or purchase funds. Provisions as to the modification, amendment or variation of such rights or provisions are contained in the *Business Corporations Act* (British Columbia) and the Company's Articles.

The Common Shares are not subject to any future call or assessments and do not have any pre-emptive rights or redemption rights. The holders of Common Shares are entitled to one vote per Common Share held at meetings of shareholders of the Company.

7.2 Modification of Terms

The rights attached to the Common Shares of the Company may only be modified according to the *Business Corporations Act* (British Columbia) and the Company's Articles.

8. CONSOLIDATED CAPITALIZATION

The following table sets forth the Company's consolidated capitalization as at December 31, 2004, both before and after giving effect to the Offering. The table should be read in conjunction with the audited financial statements of the Company and the accompanying notes thereto, which appear elsewhere in this Prospectus.

	Number Authorized	**As at December 31, 2004 (audited)**	**As at December 31, 2004 after giving effect to the Offering(1)(2)(3)**
Common Shares	Unlimited	7,377,880 $789,433	16,495,086 ($2,638,974)
Warrants		Nil	3,200,000
Agent's Compensation Options		Nil	800,000
Total Capitalization		$789,433	$2,638,974

(1) Without giving effect to the exercise of any Warrants comprising part of any Units issued pursuant to the Offering or the exercise of the Agent's Compensation Options, or the Agent's Warrants.

(2) Net of expenses of the Offering, estimated to be $120,000. The balance of expenses will be paid from the proceeds of the Offering.

(3) Assuming a full subscription of the Offering and the Agent's Commission is paid in cash.

Fully Diluted Share Capital

The following table discloses the Company's fully diluted share capital, after giving effect to the Offering hereunder:

Shares Issued or Reserved	Number of Common Shares	Percentage of Total
Issued as of the date of this Prospectus Dogpaw Property (2,000,000) Seed Stock (6,495,086)	8,495,086	37.23%
Offering (Units and FT Shares) Shares (8,000,000) Warrants (3,200,000)	11,200,000	49.1%
Stock Options	1,050,000	4.6%
Agent's Compensation Options(1) Shares (800,000) Warrants (800,000)	1,600,000	7.01%
Agent's Fee (Units) Shares (75,000) Warrants (75,000)	150,000	0.66%
Nechako Gold Project Amarc Resources Ltd. Greg Dawson	 250,000(2) 70,000	1.40%
Total:	**22,815,086**	**100%**

(1) Assuming full subscription of the Offering and that the Agent's commission is paid in cash.

(2) 50,000 shares to be issued upon listing of the Company's shares on the Exchange, 50,000 shares to be issued on or before the first anniversary of the listing of the Company's shares and the remaining 150,000 shares to be issued on or before the third anniversary of the listing of the Company's shares.

Stock Options

In March 2005, the Company adopted a stock option plan, and granted options to purchase an aggregate of 1,050,000 Common Shares of the Company at a price of $0.25 per Common Share for a period expiring on the third anniversary of the Listing Date (as that term is defined below). See item 9 "Options to Purchase Securities".

9. OPTIONS TO PURCHASE SECURITIES

Options

In March 2005, the Company adopted a stock option plan (the "Plan") and granted options to purchase an aggregate of 1,050,000 Common Shares at a price of $0.25 per Common Share for a period expiring on the third anniversary of the date on which the Common Shares are first listed and posted for trading on the Exchange (the "Listing Date").

The Plan complies with the rules and policies of the Exchange. Options may be granted under the Plan to directors, officers, employees or consultants of the Company. The Plan is a "rolling" plan, which provides that the total number of Common Shares which may be issued pursuant to the Plan shall not exceed 10% of the issued and outstanding Common Shares (on a non-diluted basis) from time to time. The aggregate number of Common Shares which may be issued pursuant to the Plan to any one optionee in a 12 month period may not exceed 5% of the issued Common Shares on a non-diluted basis (2% in the case of a consultant or investor relations person). Options granted pursuant to the Plan are non-transferable and subject to the discretion of the Board of Directors to set a shorter term, will expire, if not exercised on the earlier of : (a) termination for cause of employment or services, or removal as a director or officer for cause; (b) 90 days following the date the optionee ceases to be a director, officer, employee or consultant of the Company for reasons other than death or for cause (30 days in the case of a consultant providing investor relations services); (c) one year after the death of an optionee, by the heirs and administrators of the optionee's estate; and (d) on the fifth anniversary of the date the option was granted.

The stock options were granted as follows:

Name of Optionee	Position Held	Number of Common Shares under Option
Duncan McIvor	President and Director	750,000
J. Christopher Mitchell	Director and Chief Financial Officer	200,000
Jeff Wilson	Employee/Consultant	100,000
	Total	1,050,000

The aforesaid options are non-assignable and have been granted as incentives and not in lieu of any compensation for services.

There was no market for the Company's securities at the time the options were granted and the market value as of that date has been determined at $0.25 per Common Share based upon the proposed offering price.

10. PRIOR SALES

The following table summarizes the sales of securities of the Company during the 12-month period prior to the date of this Prospectus:

Number of Common Shares	Price per Common Share	Total Commissions Paid	Net Cash Received
6,495,086	$0.107	Nil	$694,974

With respect to stock options granted to insiders and their associates, see item 9 "Options to Purchase Securities" and item 16 "Plan of Distribution".

11. ESCROWED SECURITIES

Escrow Agreement

In accordance with National Policy 46-201, *Escrow for Initial Public Offerings*, (the “Policy”) all Shares of a company owned or controlled by the company’s “principals” will be escrowed at the time of the company’s initial public offering (the “IPO”), except where such shares represent less than 1% of the issuer’s total issued and outstanding shares after giving effect to the IPO on a fully diluted basis. Pursuant to the Policy, and pursuant to an agreement (the “Escrow Agreement”) entered into among Cunniah Lake Inc. and Duncan McIvor (the “Principals”), the Company and Pacific Corporate Trust Company (the “Trustee”), a total of 7,187,334 Common Shares (the “Escrowed Shares”) will be deposited in escrow with the Trustee as escrow agent on the closing of the IPO. The Escrowed Shares will represent approximately 43.06% of the issued Common Shares after giving effect to the Offering.

The Company is classified as an “emerging issuer” under the Policy, and the Escrowed Shares will be released to the Principals under the following schedule:

- 10% of each Principal’s holdings will be released on the Listing Date;
- 15% six months following the Listing Date;
- 15% twelve months following the Listing Date;
- 15% eighteen months following the Listing Date;
- 15% twenty-four months following the Listing Date;
- 15% thirty months following the Listing Date; and
- 15% thirty-six months following the Listing Date.

The Policy provides that if the Company becomes an “established issuer” during the currency of the Escrow Agreement, the release of Common Shares from escrow will be accelerated such that all of the Escrowed Shares will be released at prescribed intervals over a period of 18 months.

As of the date of this Prospectus, set forth below are details of the number of Common Shares held in escrow:

Name of Principal	Number of Common Shares held in Escrow	Percentage of Issued Common Shares (1)
Cunniah Lake Inc. (2)	6,787,334	40.66%
Duncan McIvor	400,000	2.4%

(1) After giving effect to the Offering.
(2) Cunniah Lake Inc. is a private company. The shares of Cunniah Lake Inc. are held by Ross Arnold as to 45%, Richard Gilliam as to 45% and James Bond as to 10%. Messrs. Arnold and Gilliam are directors of the Company.

The escrow restrictions provide that the Escrowed Shares may be transferred within escrow to an individual who is a director or senior officer of the Company, subject to the approval of the directors of the Company, or to a person or company that before the proposed transfer holds more than 20% of the voting rights attached to the Company's outstanding securities, or to a person that after the proposed transfer will hold more than 10% of the voting rights attached to the Company's outstanding securities and that has the right to elect or appoint one or more directors or senior officers of the Company.

The complete text of the Escrow Agreement is available for inspection at the registered and records office of the Company. See item 23 "Material Contracts".

Pooling Agreement

Cunniah Lake Inc. and Duncan McIvor (the "Shareholders") have agreed to enter into a pooling agreement in respect of the Common Shares held by each of them (the "Pooling Agreement"). The Pooling Agreement provides, among other things, that the Shareholders shall not to sell, or agree to sell, or otherwise dispose of their Common Shares of the Company for a period of six months following the Listing Date.

12. PRINCIPAL SHAREHOLDERS

As at the date of this Prospectus, the number of Common Shares of the Company owned by each person or company who has or is known by the Company to have (a) direct or indirect beneficial ownership of, (b) control or direction over, or (c) a combination of direct or indirect beneficial ownership of and control or direction over, voting securities that will constitute more than 10% of the issued Common Shares of the Company prior to and after the Offering is as follows:

Name	Designation of Class	Type of Ownership	No. of Securities Owned	Percent of Issued Securities of Class prior to the Offering	Percent of Issued Securities of Class after the Offering(3)
Cunniah Lake Inc.(1)	Common	direct and beneficial	6,787,334(2)	79.90%	40.66%

(1) Cunniah Lake Inc. is a private company. The shares of Cunniah Lake Inc. are held by Ross Arnold as to 45%, Richard Gilliam as to 45% and James Bond as to 10%. Messrs. Arnold and Gilliam are directors of the Company.
(2) The securities are owned both of record and beneficially.
(3) See item 8, "Consolidated Capitalization" herein.

13. DIRECTORS AND OFFICERS

13.1 Name, Address, Occupation and Security Holding

The following are the full names, municipality of residence, positions with the Company and principal occupations within the preceding five years, the dates of their appointment or election and their holdings of Common Shares (including those over which they exercise control) of all of the directors and executive officers of the Company:

Name and Municipality of Residence	Current Position with Company	Principal Occupation for the Preceding Five Years	No. of Common Shares
Duncan McIvor (1) Delta, BC	President and director, from June 23, 2004 to present; Chief Executive Officer, from March 7, 2005 to present	President of the Company, from June 23, 2004 to date; Prior thereto, consulting geologist.	400,000(2)
Ross Arnold (1) Atlanta, Georgia, USA	Director, from June 23, 2004 to present	Chairman and Chief Executive Officer of Norcom, Inc. from 1987 to present; Founder and majority owner of Quest Capital Corp. from 1989 to present.	Nil(2)(3)
Richard Gilliam Charlottesville, Virginia, USA	Director, from June 23, 2004 to present	Founder and majority owner of Cumberland Resources Corporation from 1983 to date.	Nil(2)(3)
J. Christopher Mitchell(1) Delta, BC	Director and Chief Financial Officer from March 7, 2005 to present	Chief Financial Officer of Constellation Copper from October 2000 to June 2004; Chief Financial Officer of Diamondex Resources Inc. and First Point Minerals Corp., from July 2003 to May 2004; President and Chief Financial Officer of First Point Minerals Corp. from June 2004 to date.	Nil

(1) Member of Audit Committee
(2) These shares are held in escrow. See item 11 “Escrowed Securities”.
(3) 6,787,334 shares of the Company are held by Cunniah Lake Inc. a private company. The shares of Cunniah Lake Inc. are held by Ross Arnold as to 45%, Richard Gilliam as to 45% and James Bond as to 10%. Messrs. Arnold and Gilliam are directors of the Company.

The directors are elected at each annual general meeting to hold office until the next annual general meeting or until their successors are duly elected or appointed, unless such office is earlier vacated in accordance with the Articles of the Company or a director becomes disqualified to act as a director.

Upon completion of the Offering, 6,508,601 Common Shares of the Company will be beneficially owned, directly or indirectly, by all the directors and executive officers, as a group, representing 43.06% of the then issued and outstanding voting securities (16,690,086 Common Shares).

13.2 Corporate Cease Trade Orders or Bankruptcies

None of the directors or officers of the Company is, or has been within the 10 years prior to the date of this Prospectus, a director or officer of any other issuer that, while that person was acting in that capacity, was the subject of a cease trade or similar order or an order that denied the issuer access to any statutory exemptions under Canadian securities legislation for a period of more than 30 consecutive days or was declared bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangements or compromise with creditors or had a receiver, receiver-manager or trustee appointed to hold the assets of that issuer.

13.3 Penalties or Sanctions

None of the directors or officers of the Company have been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or have entered into a settlement agreement with a

Canadian securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

13.4 Personal Bankruptcies

None of the directors or officers of the Company have, during the 10 years prior to the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or has been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver-manager or trustee appointed to hold the assets of the director or officer.

13.5 Conflicts of Interest

Certain directors and officers of the Company are and may continue to be involved in the mining and mineral exploration industry through their direct and indirect participation in corporations, partnerships or joint ventures which are potential competitors. Situations may arise in connection with potential acquisitions and investments where the other interests of these directors and officers may conflict with the interests of the Company. As required by law, each of the directors of the Company is required to act honestly, in good faith and in the best interests of the Company. Any conflicts which arise shall be disclosed by the directors and officers in accordance with the *Business Corporations Act* (British Columbia) and they will govern themselves in respect thereof to the best of their ability with the obligations imposed on them by law.

13.6 Management

The following sets out additional biographical information for each member of management of the Company:

Duncan McIvor, PGeo, Age 47, President, Chief Executive Officer and Director
Mr. McIvor is an independent contractor to the Company. Mr. McIvor graduated from the University of Waterloo in 1983 with a Bachelor of Science with Honours (Earth Sciences, Co-op Option) and devotes approximately 90% of his time to the Company. Mr. McIvor has extensive experience in many aspects of the mining industry. From 1982 to 1987 Mr. McIvor was involved in several gold, nickel and massive sulphide exploration programs. From 1987 to 1991, Mr. McIvor was involved in the exploration activity of Homestake Canada Limited. Mr. McIvor was a consulting geologist in Latin America from 1991 to 1994 and did extensive project acquisition evaluation work for such clients as Kinross Gold Corp., Homestake Mining Company and Jordex Resources. Mr. McIvor was the President and CEO of East Africa Gold Corporation from 1994 to 1996 and planned and oversaw a US$2.8 million exploration program in Tanzania. As Vice President of Exploration for Jordex Resources Ltd., from 1997 to 1998 Mr. McIvor planned and oversaw exploration programs in Bolivia, Brazil, British Columbia and Nevada. Mr. McIvor was the Exploration Manager (1998-1999) and subsequently the President (1999-2000) of Triex Resources Ltd., where he assembled a Canadian gold exploration portfolio of six projects in Ontario. Mr. McIvor was an associate with Geographe Corporate Advisory Limited from 2000 to 2002 where he was the lead technical advisor on various acquisition and divestment transactions. Since 2002, Mr. McIvor has been an independent consultant who has, amongst other things, completed a review of platinum group metals properties in Wyoming and Minnesota, selected drill targets and oversaw drilling programs on resource stage gold and silver property in central British Columbia. See item 14 “Executive Compensation”.

Ross Arnold, Age 59, Director Mr. Arnold, who holds a Bachelor of Arts and a Juris Doctor degree from Duke University, devotes approximately 10% of his time to the Company. Mr. Arnold was formerly an institutional sales representative from 1970 to 1972 with H.C. Wainwright & Company and The Robinson-Humphrey Company. From 1972 to 1974 Mr. Arnold was an Institutional Sales and Marketing Manager for Kidder Peabody & Company. From 1976 Mr. Arnold began his career as a private investor. Since 1989 Mr. Arnold has been the Chief Executive Officer of Quest Capital Corp., a private investment and management company. Mr. Arnold is also, since 1987, the Chairman and Chief Executive Officer of Norcom, Inc. Mr. Arnold serves on the Board of The Georgia Banking Company and is a Managing Director of Equity South Associates.

Richard Gilliam, Age 52, DirectorMr. Gilliam, a graduate of Clinch Valley College of the University of Virginia, devotes approximately 5% of his time to the Company. Mr. Gilliam's extensive experience in the mining industry includes, from 1974 to 1978, being the owner of Pine Creek Coal Company, Dominion Mining Equipment; and the owner/operator of Robert-Dominion Coal Company. In 1978 Mr. Gilliam became the President/CEO and stockholder of Yale Mining Corporation, and subsequently sold his interest to the other partners. In 1983 Mr. Gilliam founded and was the President and owner of Lonesome Pine Mining Company, Inc. which was the beginning of what is now Cumberland Resources Corporation, a company headquartered in Virginia which produces annually 8.5+ million tons of coal from underground and surface mines.

Mr. Gilliam has served on the Board of Directors of the Virginia Coal Association, Virginia Oil and Gas Board, Johnston Memorial Hospital and is a member of the North Carolina Coal Mining Institute, Rocky Mountain Coal Mining Institute and Virginia Mining Association.

J. Christopher Mitchell, P.Eng.Age 64, Director and Chief Financial Officer
Mr. Mitchell, who has his MBA, M. Sc. and B.Sc. from the University of British Columbia, devotes approximately 10% of his time to the Company Mr Mitchell is a business consultant with more than 30 years' experience in the mining industry, and currently serves at President, Director and Chief Financial Officer of First Point Minerals Corp. Mr. Mitchell was Senior Vice President of Viceroy Resource Corp., Executive Vice President and Chief Financial Officer of Orvana Minerals Corp. and Constellation Copper Corporation. Mr. Mitchell is based in Vancouver, British Columbia.

14. EXECUTIVE COMPENSATION

For the purposes of this Prospectus:

(a) "Chief Executive Officer" or "CEO" means each individual who served as chief executive officer of the Company or acted in a similar capacity during the most recently completed financial year;

(b) "Chief Financial Officer" or "CFO" means each individual who served as chief financial officer of the Company or acted in a similar capacity during the most recently completed financial year;

(c) "long-term incentive plan" or "LTIP" means a plan providing compensation intended to motivate performance over a period greater than one financial year. LTIPs do not include option or SAR plans or plans for compensation through Shares or units that are subject to restrictions on resale;

(d) "Named Executive Officers" or "NEOs" means the following individuals:

- (i) each CEO;
- (ii) each CFO;
- (iii) each of the Company's three most highly compensated executive officers, other than the CEO and CFO, who were serving as executive officers at the end of the most recently completed financial year and whose total salary and bonus exceeds $150,000; and
- (iv) any additional individuals for whom disclosure would have been provided under (iii) but for the fact that the individual was not serving as an executive officer of the Company at the end of the most recently completed financial year end.

(e) "options" includes all options, share purchase warrants and rights granted by a company or its subsidiaries as compensation for employment services or office. An extension of an option or replacement grant is a grant of a new option. Also, options includes any grants made to an NEO by a third party or a non-subsidiary affiliate of the Company in respect of services to the Company or a subsidiary of the Company.

(f) "plan" includes, but is not limited to, any arrangement, whether or not set forth in any formal document and whether or not applicable to only one individual, under which cash, securities, options, SARs, phantom stock, warrants, convertible securities, Shares or units that are subject to restriction on resale, performance units and performance Shares, or similar instruments may be received or purchased. It excludes the Canada Pension Plan, similar government plans and group life, health, hospitalization, medical reimbursement and relocation plans that are available generally to all salaried employees (for example, does not discriminate in scope, terms or operation in favour of executive officers or directors);

(g) "replacement grant" means the grant of an option or SAR reasonably related to any prior or potential cancellation of an option or SAR; and

(h) "stock appreciation right" or "SAR" means a right, granted by the Company or any of its subsidiaries as compensation for employment services or office to receive cash or an issue or transfer of securities based wholly or in part on changes in the trading price of public traded securities.

A. **Executive Compensation**

During the period from incorporation (December 16, 2003) to December 31, 2004 the Company had one Named Executive Officer (for the purposes of applicable securities legislation), namely Duncan McIvor, the President and Chief Executive Officer.

The following table sets forth, for the period indicated, the compensation of the Named Executive Officer:

		Annual Compensation			Long Term Compensation			
					Awards		Payouts	
Name and Principal Position	Year[1] [6]	Salary ($)	Bonus ($)[2]	Other Annual Compen-sation ($)	Securities Under Options/ SARs[3] granted ($)	Restricted Shares or Restricted Share Units ($)	LTIP[4] payouts ($)	All Other Compen-sation ($)
Duncan McIvor, President and Chief Executive Officer	2004	n/a	n/a	n/a	Nil	Nil	Nil	$91,742[5]

(1) For the period from incorporation (December 16, 2003) to December 31, 2004.
(2) Bonus amounts are paid in cash in the year following the fiscal year in which they were earned.
(3) Stock appreciation rights.
(4) Long-term incentive plan
(5) Management fees in the amount of $71,742 and geological fees in the amount of $20,000 paid or accrued to McIvor Geological Consulting, a sole proprietorship of Duncan McIvor, the President, Chief Executive Officer and a Director of the Company
(6) Effective January 1, 2005, Mr. McIvor entered into a consulting agreement with the Company. See item 14.F "Executive Compensation; Compensation of Directors"

B. **Options and Stock Appreciation Rights ("SARs")**

No incentive stock options were granted to the Named Executive Officer from incorporation (December 16, 2003) to December 31, 2004 (the "Financial Period").

Subsequent to the Financial Period, the following incentive stock options were granted to the Named Executive Officer:

Name	Securities under Options/SARs granted (#)[1]	Percentage of Total Options/SARs granted to Employees in Financial Period[2]	Exercise or Base Price ($/Security)	Market Value of Securities underlying Options/SARs on the Date of Grant ($/Security)	Expiration Date
Duncan McIvor	750,000	71.43%	$0.25	$0.25 [3]	(4)

(1) On March 7, 2005, a total of 1,050,000 options to purchase Common Shares were granted to directors (as to 950,000) and employees (as to 100,000) of the Company. The options granted to the Named Executive Officer (as to 750,000) were granted to such person in his capacity as a director and officer of the Company.

(2) Reflected as a percentage of the 1,050,000 options granted to directors, employees and the Named Executive Officer.

(3) There was no market value for the Company's securities at the time the options were granted and the market value as of that date has been determined at $0.25 per Share based upon the proposed offering price.

(4) Third anniversary of the Company's Listing Date.

There are no assurances that the incentive stock options described above will be exercised in whole or in part.

D. Pension Plan

The Named Executive Officer does not participate in any defined benefit or actuarial plan.

E. Termination of Employment, Change in Responsibilities and Employment Contracts

During the Financial Period, there were no employment contracts between the Company and the Named Executive Officer.

F. Compensation of Directors

During the Financial Period, no compensation was paid or is payable by the Company to the directors of the Company, other than the Chief Executive Officer (the "Other Directors") for their services:

(a) in their capacity as directors, including any amounts payable for committee participation or special assignments pursuant to any standard or other arrangements; or

(b) as consultants or experts,

except as set forth below and as otherwise herein disclosed.

Subsequent to the Financial Period:

- Pursuant to a consulting agreement, dated January 1, 2005, between the Company and Duncan McIvor ("McIvor"), McIvor agreed to provide geological consulting services to the Company and to act as President and Chief Executive Officer of the Company for a 24 month term commencing on January 1, 2005. The fee payable to McIvor is $10,000 per month. If there is a change in control of the Company, McIvor may terminate the agreement and has the right to receive a severance payment equal to 200% of the amount due to him for the remainder of the term of the agreement. McIvor has orally waived payment due to him for the months of February–April, 2005, inclusive.

- By agreement dated February 1, 2005, between the Company, Adera Company Management Incorporated ("Adera") and J. Christopher Mitchell ("Mitchell"), the Company retained the services of Adera to provide the services of Mitchell from February 1, 2005 to December 31, 2005, thereafter the agreement may be extended annually. Adera agreed to provide Mitchell's services to the Company as the Chief Financial Officer for a minimum of two business days per month for the term of the agreement at the rate of $1,200 per day, exclusive of GST. If there is a change in control of the Company, Mitchell shall continue to serve the Company in the same capacity.

The Company has no pension plan or other arrangement for non-cash compensation to the Other Directors, except incentive stock options. During the Financial Period no Other Director was granted incentive stock options to purchase Shares of the Company.

Subsequent to the year end, one Other Director was granted incentive stock options to purchase 200,000 Common Shares of the Company at a price of $0.25 per share for a term of three years following the Listing Date.

15. INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

During the most recently completed financial year, none of the directors and executive officers of the Company or each of their respective associates or affiliates is or has been indebted to the Company (other than routine indebtedness) in excess of $25,000 at any time for any reason whatsoever, including the purchase of securities of the Company or any of its subsidiaries.

16. PLAN OF DISTRIBUTION

16.1 Name of Agent

The Company, through the Agent, Haywood Securities Inc., of Suite 2000, 400 Burrard Street, Vancouver, BC, V6C 3A6, hereby offers to the public up to 4,800,000 FT Shares at a price of $0.25 per FT Share and up to 3,200,000 Units at a price of $0.25 per Unit to raise aggregate gross proceeds of $2,000,000. Each Unit is comprised of one Share and one Warrant. Each Warrant entitles the holder to purchase one Warrant Share for a period of 24 months from the Closing Date at a price of $0.35 for the first year and $0.45 for the second year. During the second year of the term of the Warrants, the Warrants may be subject to forced conversion by the Company if the closing price of the Shares as traded on the Exchange equals or exceeds $0.90 for 20 consecutive trading days. The Closing of the Offering will take place on a day, determined by the Agent in consultation with the Company, which will be on or before the earlier of:

(a) the day which is 90 days from the date (the “Effective Date”) on which a MRRS Decision Document receipt is issued by the British Columbia Securities Commission (the “Commission”) for the final prospectus of the Company; and

(b) 12 months after the date of issue by the Commission of a MRRS Decision Document receipt for the Company’s preliminary prospectus.

The Offering is subject to a minimum subscription of $2,000,000. If the minimum subscription is not obtained by the Closing, the Offering will not close and all subscription funds will be promptly returned to the Purchaser without interest or deduction. The Offering will cease if the minimum subscription is not obtained within 90 days of the date of the Final Prospectus receipt.

16.2 Disclosure of Market Out

The obligations of the Agent under the Agency Agreement may be terminated at any time prior to the sale of any of the securities at the Agent's discretion on the basis of its assessment of the state of the financial markets and may also be terminated at any time upon the occurrence of certain stated events.

16.3 Best Efforts Offering

Offering and Appointment of Agent

The Company by an agreement, dated May 19, 2005 (the "Agency Agreement") appointed the Agent as its agent to offer, on a commercially reasonable efforts basis, the 4,800,000 FT Shares and 3,200,000 Units in the provinces of British Columbia, Alberta and Ontario at a price of $0.25 per FT Share and $0.25 per Unit. The price of the securities offered hereby was established by negotiation between the Company and the Agent. The Agent is not obligated to purchase FT Shares or Units in connection with this Offering. Following the Effective Date, the Company and the Agent will set the date for the Closing. Closing of this Offering is conditional upon 4,800,000 FT Shares and 3,200,000 Units being sold within 90 days of the issuance of a final receipt for this Prospectus.

The Agent will be paid a commission equal to 7.5% of the gross proceeds from the sale of the FT Shares and Units, payable in cash or Units, at the option of the Agent on or before the Closing. The Agent will be issued compensation options (the “Agent’s

Compensation Options") equal in number to 10% of the aggregate number of Units and FT Shares sold. Each Agent's Compensation Option entitles the Agent to purchase one Unit at a price of $0.25 per Unit for a period of 24 months from the date of the Closing of the Offering. The securities acquired by the Agent by the exercise of the Agent's Compensation Options shall be voluntarily restricted from sale for a period of three months following the Closing of the Offering. The distribution of the Agent's Compensation Options is qualified by this Prospectus. The Agent will also receive a Corporate Finance Fee of $20,000, payable on the filing of the Preliminary Prospectus, and 75,000 Fee Units to be issued upon Closing of the Offering. The Fee Units are qualified by this Prospectus, as are any Commission Units which the Agent elects to receive.

Subscriptions for FT Shares and Units will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice.

It is expected that certificates in definitive form representing the FT Shares and the Common Shares and Warrants comprising the Units issued pursuant to the Offering will be available on the Closing Date.

The Agent will pay to the Company the net proceeds of the Offering within ten business days following completion of the Offering.

Selling Group Participation

The Agent reserves the right to offer selling group participation in the normal course of the brokerage business to selling groups of other licensed broker-dealers, brokers and investment dealers, who may or who may not be offered part of the commissions or bonuses derived from this Offering.

Right of First Refusal

The Company has granted the Agent a right of first refusal to provide all future equity financing to the Company for a period of 12 months from the Closing Date.

Miscellaneous

There are no payments in cash, securities or other consideration being made, or to be made, to a promoter, finder or any other person or company in connection with the Offering.

The directors, officers and other insiders of the Company may purchase FT Shares or Units from the Offering.

The Company has agreed with the Agent that the Company will not issue, or agree to issue, any securities of the Company, other than for acquisitions or pursuant to existing stock option agreements or other existing commitments to issue shares, for a period of 90 days following the Closing Date without the prior consent of the Agent, such consent not to be unreasonably withheld.

Other

The securities offered hereby have not been and will not be registered under the United States *Securities Act of 1933*, as amended (the "U.S. Securities Act"), and such securities may not be offered or sold to a person in the United States unless an exemption from the registration requirements of the U.S. Securities Act is available.

There is no intention to stabilize the market.

16.4 Listing Application

The Company has applied to list on the Exchange the FT Shares, the Common Shares comprising Units being sold under the Offering, the 75,000 Shares comprising the Fee Units and the Common Shares comprising part of the Commission Units, if all or part of the Agent's Commission is paid in Commission Units. Listing will be subject to the Company fulfilling all the listing requirements of the Exchange.

16.5 Determination of Price

The price of the FT Shares and Units offered under this Prospectus was determined by the Company in negotiation with the Agent.

17. CANADIAN INCOME TAX CONSIDERATIONS

In the opinion of Thorsteinssons LLP, the Company's special tax counsel, the following discussion of the federal income tax consequences of the purchase of FT Shares and Units is a fair and adequate summary of the principal Canadian federal income tax consequences generally applicable to subscribers ("Purchasers") of FT Shares or Units who, for purposes of the *Income Tax Act* (Canada) (the "Tax Act") are individuals or corporations (other than "principal business corporations", defined in essence as corporations whose principal business is the exploitation of natural resources) that, at all times, are resident in Canada, hold the FT Shares, non-flow through common shares ("Non-FT Shares") and Warrants comprising the Units, as capital property and deal at arm's length with the Issuer. FT Shares and Non-FT Shares are sometimes referred to below, collectively, as "Common Shares".

This summary is based upon the current provisions of the Tax Act, the regulations thereunder (the "Regulations"), counsel's understanding of the current administrative practices of the Canada Revenue Agency (the "CRA") and all proposed amendments (the "Tax Proposals") to the Tax Act and Regulations publicly announced by the Minister of Finance prior to the date hereof. This summary assumes the Tax Proposals will be enacted as proposed and does not take into account or anticipate any other changes in law whether by way of judicial, legislative or governmental decision or action, nor does it take into account provincial, territorial or foreign income tax legislation or considerations. No assurances can be given that such Tax Proposals will be enacted as proposed or that legislative, judicial or administrative changes will not modify or change the statements expressed herein.

This summary is not applicable to Purchasers who are non-residents of Canada, partnerships, trusts or "principal business corporations" within the meaning of the Tax Act or whose business includes trading or dealing in petroleum, natural gas or mineral rights. Further, this summary is not applicable to corporations which are "financial institutions" for purposes of the "mark-to-market" provisions of the Tax Act, to any person an investment in which would constitute a "tax shelter" for purposes of the Tax Act, nor to agents acting on behalf of the Issuer.

This summary also assumes that the Company will make all filings in respect of the issue of the FT Shares and the renunciation of "Canadian exploration expense" (as defined in the Tax Act) ("CEE") in the manner and within the time required by the Tax Act, the Regulations and the Subscription Agreement in substantially the form attached as Schedule "A" hereto, and that all renunciations will be validly made. In addition, while the Company will furnish each Purchaser of FT Shares with information relevant to the Purchaser's Canadian federal and provincial tax returns, the preparation and filing of such returns will remain the responsibility of each Purchaser. This summary is based upon a representation by the Company that it will be a "principal business corporation" for purposes of the Tax Act at all material times and that the FT Shares will not be prescribed shares under the relevant provisions of the Regulations.

The income tax consequences relating to a Purchaser of FT Shares or Units will vary depending upon a number of factors, including the particular province in which the Purchaser resides, carries on business or has a permanent establishment, the amount that would be the Purchaser's taxable income but for the purchase of the FT Shares, and whether the Purchaser is an individual or a corporation.

Allocation of Purchase Price

Purchasers of the Units will be required to allocate the purchase price paid for each Unit on a reasonable basis between the Non FT Share and the Warrant comprising the Unit in order to determine the respective costs for the purposes of the Tax Act. Of the $0.25 purchase price for each Unit, the Company will allocate $0.249 to each Non FT Share, and $0.001 to each Warrant, and believes this allocation is reasonable. Such allocation will not bind the CRA. Purchasers of Units should consult their own tax advisers.

Canadian Exploration Expense

Any CEE incurred by the Company and renounced by it to a Purchaser of FT Shares in accordance with the terms of the Subscription Agreement and pursuant to the Tax Act will, at the effective date of such renunciation, be considered as CEE incurred by the Purchaser and a corresponding amount will be added to the Purchaser's cumulative CEE tax account or pool. The renunciation mechanism is described in the Subscription Agreement.

Subject to important restrictions imposed by the Tax Act, if a Purchaser enters into a Subscription Agreement, and pays cash for the FT Shares in a particular calendar year, it will generally be possible for the Company to renounce to that Purchaser, with an effective date of December 31 of the particular year, a certain kind of CEE (to the extent that it was an expense described in paragraph (f) of the definition of CEE in subsection 66.1(6) of the Tax Act, i.e., a "grass roots" exploration expense, as opposed to a pre-production expense) ("Qualifying CEE") incurred by it under the Subscription Agreement in the calendar year following the particular year if the Purchaser deals at arm's length with the Company throughout that following calendar year and the Qualifying CEE is renounced by the Company within the first three months of the following calendar year. If such Qualifying CEE renounced effective December 31 of the particular year is not in fact incurred in the particular year or the following year, the CEE so renounced will be reduced accordingly, effective as of December 31 of the particular year. One result is that the Purchaser would be reassessed for the particular year. However, the Purchaser would not be charged interest or penalties on any unpaid income tax arising as a result of such reduction for the period, provided any unpaid tax liability is settled on or prior to April 30 of the second year following the particular year.

Under the Tax Act, the Company will be precluded from renouncing any amount of CEE that constitutes Canadian Exploration and Development Overhead Expenses ("CEDOE") as prescribed under the Regulations, and specified expenses in respect of seismic data (as described in paragraph 66(12.6)(b.1) of the Tax Act). In addition, the amount of CEE that the Company may renounce must be net of the amount of any "assistance" the Company receives, is entitled to receive or may reasonably be expected to receive, in respect of the exploration activities to which the CEE relates.

The cumulative CEE pool of a Purchaser will be reduced by the amount of any assistance which he becomes entitled or may reasonably expect to receive in respect of CEE previously incurred and included in his cumulative CEE pool, and also by the amount of any federal investment tax credit discussed below that is claimed in a preceding year.

A Purchaser will be entitled to deduct, in computing his income from all sources for a taxation year, any amount that he may claim, not exceeding 100% of the balance of his cumulative CEE pool at the end of that taxation year. Deductions in respect of CEE claimed by a Purchaser will reduce his cumulative CEE pool by a corresponding amount. To the extent that a Purchaser does not deduct the balance of his cumulative CEE pool at the end of a taxation year, the balance will be carried forward indefinitely and deductions may be made therefrom by the Purchaser in subsequent taxation years in accordance with the provisions of the Tax Act.

In the event that the balance of a Purchaser's cumulative CEE pool is "negative" at the end of a taxation year, which may occur should the person receive or become entitled to receive assistance payments which relate to CEE incurred in a prior year or through other adjustments to his cumulative CEE pool such as the federal investment tax credit discussed below, the negative amount must be included in the Purchaser's income for that taxation year and the balance of his cumulative CEE pool will thereupon become nil. Any balance in a Purchaser's cumulative CEE pool account when he disposes of an FT Share will remain with that the Purchaser, and will not be available to the transferee.

Investment Tax Credit

An individual Purchaser (other than a trust) will be entitled to an investment tax credit in a taxation year equal to 15% of certain qualifying CEE renounced by the Issuer.

Investment tax credits generally may be deducted from federal tax payable in accordance with detailed rules set out in the Tax Act. The "minimum tax" provisions of the Tax Act may limit the amount of investment tax credit an individual Purchaser may claim in a year. See "Minimum Tax" below.

The CEE that qualify for the federal investment tax credit are expenses incurred before 2006 in conducting mining exploration activity from or above the surface of the earth for the purpose of determining the existence, location, extent or quality of a particular kind of mineral resource in Canada (including a base or precious metals deposit, but not including a coal or oil sands deposit), but excluding expenses incurred in respect of (i) trenching, if one of the purposes of the trenching is to carry out preliminary sampling (other than specified sampling), (ii) digging test pits (other than digging test pits for the purpose of carrying out specified sampling), and (iii) preliminary sampling (other than specified sampling).

"Specified sampling" means the collecting and testing of samples in respect of a mineral resource except that specified sampling does not include (a) the collecting or testing of a sample that, at the time the sample is collected, weighs more than 15 tonnes, and (b) the collecting or testing of a sample collected at any time in a calendar year in respect of any one mineral resource if the total weight of all such samples collected (by any person or partnership or any combination of persons and partnerships) in the calendar year and before that time (other than samples each of which weighs less than one tonne) exceeds 1,000 tonnes.

The cumulative CEE pool of a Purchaser for a taxation year is reduced by the amount of the investment tax credit claimed in the preceding taxation year. A negative cumulative CEE pool balance at the end of a taxation year will result in an inclusion in income. Therefore, a Purchaser who claims the investment tax credit in respect of the 2005 taxation year will be required to include in income in the 2006 taxation year the amount so deducted unless there is a sufficient offsetting amount in his cumulative CEE pool in the 2006 taxation year.

Adjusted Cost Base of FT Shares

For income tax purposes, a FT Share will be deemed to have been acquired by the Purchaser at a cost of nil.

Exercise or Expiry of Warrants

No taxable capital gain or allowable capital loss will be realized by a holder of a Warrant upon the exercise of such Warrant. When a Warrant is exercised, the holder's cost of the Common Shares (the "Warrant Shares") acquired thereby will be equal to the adjusted cost base to the holder of the Warrant, plus the amount paid on the exercise of the Warrant. The cost of a Warrant will be equal to the adjusted cost base of the Unit subscription price allocable to the Warrant. For the purpose of computing the holder's adjusted cost base of the Warrant Shares acquired on the exercise of the Warrant, the cost of such Warrant Shares must be averaged with the adjusted cost base of all of the holder's Common Shares held as capital property at that time, including the FT Shares.

The expiry of an unexercised Warrant will give rise to a capital loss equal to the adjusted cost base to the holder of such expired Warrant.

Disposition of Warrants

A disposition or deemed disposition of Warrants (other than by way of exercise) will generally result in the realization of a capital gain (or capital loss) in the taxation year of the disposition equal to the amount by which the proceeds of disposition exceed (or are less than) the adjusted cost base of such Warrant and reasonable costs of disposition. See "Disposition of Common Shares" below for a summary of the treatment of capital gains and losses.

Adjusted Cost Base of Non-FT Shares

The Tax Act provides that each share of a single class held by a shareholder will generally have an adjusted cost base equal to the total cost to the holder of all such shares owned by him at that time divided by that number of such shares. Accordingly, any capital gain or capital loss realized on a disposition of Common Shares will generally be measured by reference to the average cost of all Common Shares of the Company in the same class that includes the Common Shares which are held by the shareholder immediately before the disposition.

Disposition of Common Shares

A disposition, or deemed disposition, of Common Shares will generally result in the holder realizing a capital gain (or capital loss) equal to the amount by which the holder's proceeds of disposition are greater than (or less than) the holder's adjusted cost base of such Common Shares and reasonable costs of disposition. In the case of a holder that is a corporation, any capital loss realized on the disposition of a Common Share will be reduced by the amount of dividends received (or deemed to have been received) by the holder on such shares to the extent and in the circumstances described in the Tax Act.

One-half of any capital gain realized by a holder from the disposition of Common Shares will be required to be included in computing income as a taxable capital gain. One-half of any capital loss realized by a holder from the disposition of Common Shares may normally be deducted against taxable capital gains realized in the year of disposition, any subsequent taxation year or in any of the three preceding taxation years, subject to possible adjustments.

A holder that is a "Canadian controlled-private corporation" (as defined in the Tax Act) may be liable to pay an additional "refundable" tax of 6 2/3% on taxable capital gains.

Minimum Tax

Tax payable by individuals and by certain trusts under the Tax Act is the greater of the tax otherwise determined and a minimum tax. In calculating adjusted taxable income for the purpose of determining the minimum tax, certain deductions otherwise available are disallowed, including deductions in respect of a Purchaser's cumulative CEE pool, to the extent the deductions exceed the Purchaser's income from royalties in respect of, or income from the production of, petroleum, natural gas and minerals or amounts required to be included in income under section 59 of the Tax Act (including income from the disposition of foreign resource properties).

Moreover, certain amounts not otherwise included, such as four-fifths of the amount of realized capital gains on a disposition of Common Shares, are included. Certain carrying charges incurred by an initial Purchaser in relation to FT Shares are disallowed. Adjusted taxable income includes any taxable dividends actually received, without the gross-up. Whether, and to what extent, the tax liability of a particular Purchaser may be increased by the minimum tax provisions will depend on the amount of his income, the sources from which it is derived, and the nature and amounts of any deductions he claims. Any additional tax payable for a year as minimum tax is recoverable to the extent that tax otherwise payable exceeds the minimum tax for any of the seven following years. Purchasers are advised to consult their own tax advisers.

Source Deductions and Income Tax Installments

A Purchaser who is an employee, and has income tax withheld at source from employment income may prepare a submission to his relevant district office of the CRA requesting a reduction in such withholding at source by an employer. The CRA has a discretionary power to grant such request and may do so based on a Purchaser's share of CEE.

A Purchaser who is required to pay income tax on an installment basis may take into account his share of CEE.

Dividends

Any dividends received by a Purchaser on shares of the Company will be treated for income tax purposes as dividends from a taxable Canadian corporation. Accordingly, where a dividend is received by an individual resident in Canada, the individual will be required to include in income the dividend plus a 25% gross-up of the dividend and will be entitled to claim a federal dividend tax credit, equal to 16 2/3% of the amount of the dividend. Where the dividend is received by a corporation resident in Canada, the dividend will normally be free of tax under Part I of the Tax Act but may be subject to refundable tax under Part IV of the Tax Act.

Interest on Funds Borrowed to Acquire Common Shares

A reasonable amount of simple interest payable by a Purchaser on money borrowed to acquire FT Shares, Non FT Shares, or Warrant Shares should be deductible in computing the Purchaser's income for purposes of the Tax Act assuming the Purchaser continues to own such Shares or uses the borrowed funds to earn income from a business or property. Compound interest is deductible only when paid. Further, if such Shares, held as capital property, are disposed of for fair market value, and the amount of funds borrowed to acquire them exceeds the consideration received, interest on the excess generally will continue to be deductible.

Paid-Up Capital

Under the Tax Act, the Company will be required for tax purposes to reduce the legal paid-up capital of its Common Shares by an amount equal to 50% of the CEE renounced in respect of the FT Shares. The reduction may impact on the income tax treatment of subsequent dealings with the Common Shares.

18. RISK FACTORS

AN INVESTMENT IN THE SECURITIES OF THE COMPANY INVOLVES A SIGNIFICANT DEGREE OF RISK. THE DEGREE OF RISK INCREASES SUBSTANTIALLY WHERE THE ISSUER'S PROPERTIES ARE IN THE EXPLORATION AS OPPOSED TO THE DEVELOPMENT STAGE. The Company's exploration activities are subject to the risks normally encountered by companies which explore for and mine precious metals. Both of the Company's properties are in the exploration stage. A number of factors, including metal prices, the further delineation of ore reserves and the grade of newly discovered mineralization are beyond the Company's control.

The securities offered hereby are considered speculative due to the nature of the Company's business and the present stage of its development. A prospective investor should consider carefully the following risk factors:

No Market

There is no established market for the Common Shares of the Company and no assurance that one will develop.

Management

The Company is a relatively new company and has no proven history of performance or earnings and its ability to develop into a viable business enterprise is largely dependent upon its management. Although the Company's management has considerable experience in the mining exploration business, the Company represents the first time that management has operated a junior resource company.

Conflicts of Interest

Certain directors and officers of the Company are officers and/or directors of, or are associated with other natural resource companies that acquire interests in mineral properties. Such associations may give rise to conflicts of interest from time to time. The directors are required by law, however, to act honestly and in good faith with a view to the best interests of the Company and its shareholders and to disclose any personal interest which they may have in any material transaction which is proposed to be entered into with the Company and to abstain from voting as a director for the approval of any such transaction.

Precious Metal Price Fluctuations

The profitability of the Company's operations will be dependent in part upon the market price of precious metals. The price of such metals or interest related thereto has fluctuated widely and is affected by numerous factors beyond the control of the Company. These factors include international economic and political conditions, expectations of inflation, international currency exchange rates, interest rates, global or regional consumptive patterns, speculative activities, levels of supply and demand, increased production due to new mine developments and improved mining and production methods, availability and costs of metal substitutes, metal stock levels maintained by producers and others and inventory carrying costs. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital or the investment retaining its value.

Lack of Active Market

Before the Offering, there has been no public market for the Company's Common Shares. An active public market for the Common Shares might not develop or be sustained after the Offering. The offering price of the Common Shares has been determined by negotiations between the Company and the Agent and this price will not necessarily reflect the prevailing market price of the Common Shares following the Offering. If an active public market for the Common Shares does not develop, the liquidity of a shareholder's investment may be limited and the share price may decline below the initial public offering price.

Operating Hazards and Risks

Mining operations generally involve a high degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Hazards such as unusual or unexpected formations and other conditions are involved. Operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of precious and base metals, any of which could result in work stoppages, damage to or destruction of mines and other producing facilities, damage to life and property, environmental damage and possible legal liability for any or all damage. The Company maintains liability insurance in an amount which it considers adequate for its operations; however, the Company may become subject to liability for pollution, cave-ins or hazards against which it cannot insure or against which it may elect not to insure. The payment of such liabilities may have a material adverse effect on the Company's financial position.

Exploration and Development

There is no known body of commercial ore on the Company's mineral properties. Development of the Company's properties will only follow upon obtaining satisfactory exploration results. Mineral exploration and development involves a high degree of risk and few properties which are explored are ultimately developed into producing mines. There is no assurance that the Company's mineral exploration and development activities will result in any discoveries of bodies of commercial ore. The long-term profitability of the

Company's operations will be in part directly related to the cost and success of its exploration programs, which may be affected by a number of factors.

Substantial expenditures are required to establish reserves through drilling, to develop, in the case of precious and base metal properties, metallurgical processes to extract metal from ore and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that the funds required for development can be obtained on a timely basis.

The marketability of any minerals acquired or discovered may be affected by numerous factors which are beyond the Company's control and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting minerals and environmental protection.

Calculation of Reserves and Mineralization and Precious and Base Metal Recovery

There is a degree of uncertainty attributable to the calculation of reserves and mineralization and corresponding grades being mined or dedicated to future production. Until reserves or mineralization are actually mined and processed, the quantity of mineralization and grades must be considered as estimates only. In addition the quantity of reserves and mineralization may vary depending on metal prices. Any material change in quantity of reserves, mineralization, grade or stripping ratio may effect the economic viability of the Company's properties. In addition, there can be no assurance that precious or other metal recoveries in small scale laboratory tests will be duplicated in larger scale tests under on-site conditions or during production.

Government Regulation

Operations, development and exploration on the Company's properties are affected to varying degrees by government regulations relating to such matters as environmental protection, health, safety and labour, mining law reform; restrictions on production; price controls; tax increases; maintenance of claims; tenure; and expropriation of property. There is no assurance that future changes in such regulation, if any, will not adversely affect the Company's operations.

Environmental Factors

All phases of the Company's operations are subject to environmental regulation in the various jurisdictions in which it operates. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Company's operations. Environmental hazards may exist on properties in which the Company has, or in the future may acquire, an interest, which hazards are unknown to the Company at present which have been caused by previous or existing owners or operators of the properties.

Competition and Agreements with Other Parties

The mining industry is intensely competitive in all of its phases, and the Company competes with many companies possessing greater financial and technical resources than itself. Competition in the mining business could adversely affect the Company's ability to acquire suitable producing properties or prospects for mineral exploration in the future.

The Company may, in the future, be unable to meet its share of costs incurred under agreements to which it is a party and the Company may have its interest in the properties subject to such agreements reduced as a result. Furthermore, if other parties to such agreements do not meet their share of such costs, the Company may be unable to finance the cost required to complete recommended programs.

Cash Flow

The Company has no source of operating cash flow to fund all of its exploration and development projects. Any further significant work would likely require additional equity or debt financing. The Company has limited financial resources and there is no assurance that additional funding will be available to allow the Company to fulfill its obligations on existing exploration or joint venture properties. Failure to obtain additional financing could result in delay or indefinite postponement of further exploration and the possible partial or total loss of the Company's interest in certain properties.

Title to Properties

Although the Company has or will receive title opinions for any properties in which it has a material interest, there is no guarantee that title to such properties will not be challenged or impugned. The Company has not conducted surveys of the claims in which it holds direct or indirect interests and therefore, the precise area and location of such claims may be in doubt. The Company's claims may be subject to prior unregistered agreements or transfers or native land claims and title may be affected by undetected defects. The Company’s Nechako Gold Project is situated adjacent to the Nazko Indian Reserve, and therefore may be more immediately affected by First Nations land claims and related activities than would otherwise be the case elsewhere in British Columbia.

Tax Issues

Income tax consequences in relation to the FT Shares and Units will vary according to circumstances of each investor. Reference is made to item 17 “Canadian Shares and Income Tax Considerations” herein. Although it is not common to obtain an advance income tax ruling for an offering such as this, no such ruling has been obtained or sought from CRA for this Offering. There may be disagreements with the CRA with respect to certain tax consequences associated with an acquisition of the FT Shares or Units. The alternative minimum tax could limit tax benefits available to Purchasers. Prospective investors should seek independent advice from their own tax and legal advisers prior to subscribing for the FT Shares or Units.

Dividends

The Company has not, since the date of its incorporation, declared or paid any dividends on its Shares and does not currently intend to pay dividends. Earnings, if any, will be retained to finance further growth and development of the business of the Company.

Conflicts of Interest

Some of the directors and officers are engaged and will continue to be engaged in the search for additional business opportunities on behalf of other corporations, and situations may arise where these directors and officers will be in direct competition with the Company. Conflicts, if any, will be dealt with in accordance with the relevant provisions of the *Business Corporations Act* (British Columbia).

Some of the directors and officers of the Company are or may become directors or officers of other companies engaged in other business ventures. In order to avoid the possible conflict of interest which may arise between the directors’ duties to the Company and their duties to the other companies on whose boards they serve, the directors and officers of the Company have agreed to the following:

1. participation in other business ventures offered to the directors will be allocated between the various companies and on the basis of prudent business judgment and the relative financial abilities and needs of the companies to participate;

2. no commissions or other extraordinary consideration will be paid to such directors and officers; and

3. business opportunities formulated by or through other companies in which the directors and officers are involved will not be offered to the Company except on the same or better terms than the basis on which they are offered to third party participants.

Resale of Shares

The continued operation of the Company will be dependent upon its ability to generate operating revenues and to procure additional financing. There can be no assurance that any such revenues can be generated or that other financing can be obtained. If the Company is unable to generate such revenues or obtain such additional financing, any investment in the Company may be lost.

19. PROMOTERS

Under the definition of "promoter" contained in Section 1 of the *Securities Act* (British Columbia), Cunniah Lake Inc. and Duncan McIvor are the promoters of the Company, since they took the initiative in forming the Company.

20. INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than the acquisition of the Dogpaw Property from Cunniah Lake Inc., a company controlled by two directors of the Company, there is no material interest, direct or indirect, of any director, executive officer, principal shareholder or any of their associates or affiliates in any transaction in the three years prior to the date of this Prospectus which has materially affected or will materially affect the Company.

See item 2.2 “Significant Acquisitions and Significant Dispositions”, item 3.1A "Dogpaw Property".

21. AUDITORS, TRANSFER AGENTS AND REGISTRAR

21.1 Auditors

The auditor of the Company is Davidson & Company of 1200, 609 Granville Street, Vancouver, B.C. V7Y 1G6

21.2 Transfer Agent and Registrar

The Registrar and Transfer Agent for the Company is Pacific Corporate Trust Company of 10th Floor, 625 Howe Street, Vancouver, B.C. V6C 3B8

22. RELATIONSHIP BETWEEN THE COMPANY AND AGENT

The Company is not a related party or connected party to the Agent (as such terms are utilized in the *Securities Act* (British Columbia), the *Securities Act* (Alberta) or the *Securities Act* (Ontario)).

23. MATERIAL CONTRACTS

Except for contracts made in the ordinary course of the Company's business, the only material contracts entered into by the Company or any of its subsidiaries since its incorporation are as follows:

1. Agency Agreement dated May 19, 2005, between the Company and the Agent pertaining to the distribution of 4,800,000 FT Shares and 3,200,000 Units at a price of $0.25 per FT Share or per Unit. See item 16 "Plan of Distribution".

2. Escrow Agreement, dated March 7, 2005, between the Company, Pacific Corporate Trust Company (the "Transfer Agent") and certain shareholders of the Company referred to in item 11 "Escrowed Securities" whereunder the Transfer Agent agreed to hold 7,187,334 Shares in escrow.

3. Shareholders’ Agreement made as of December 30, 2003, between the Company, Cunniah Lake Inc., Kenneth Fenwick, Stephen Stares and Michael Stares;

4. Agreement dated as of December 5, 2003, between the Company, Cunniah Lake Inc., Kenneth Fenwick, Stephen Stares and Michael Stares whereunder the Company acquired a 100% interest in the Dogpaw Property. See item 2.2 "Significant Acquisitions and Significant Dispositions".

5. Agreement dated November 3, 2004, as amended by agreement dated May 2, 2005 between the Company and Amarc Resources Inc., whereunder the Company acquired an option to earn a 60% interest in the Nechako Gold Property. See item 2.2 “Significant Acquisitions and Significant Dispositions”.

6. Stock Option Agreements, dated March 7, 2005, between the Company and each of Duncan McIvor, J. Christopher Mitchell and Jeffrey Wilson (collectively the "Optionees") where under the Company granted to the Optionees options to purchase up to a total of 1,050,000 Shares at $0.25 per Share for nominal consideration. See item 9 "Options to Purchase Securities".

7. Consulting Agreement, dated January 1, 2005, between the Company and Duncan McIvor (“McIvor”), whereby the Company retained the services of McIvor for a period of 24 months. McIvor agreed to provide his services to the Company as the President, Chief Executive Officer and as a geological consultant at a rate of $10,000 per month.

8. Agreement dated February 1, 2005 between the Company, Adera Company Management Incorporated (“Adera”) and J. Christopher Mitchell (“Mitchell”), whereby the Company retained the services of Adera to provide Mitchell’s services until December 31, 2005. Mitchell shall provide his services to the Company and Chief Financial Officer at a rate of $1,200 per day for a minimum of two days a month.

9. Voluntary Pooling Agreement dated May 19, 2005 between Cunniah Lake Inc., Duncan McIvor and the Company

See item 14 “Executive Compensation” with respect to agreements with McIvor and Mitchell.

Copies of the foregoing contracts may be inspected at 1040 - 999 West Hastings Street, Vancouver, British Columbia, during normal business hours while distribution of the securities offered hereunder is in progress.

24. EXPERTS

24.1 Experts

The income tax opinion provided under the heading “Canadian Income Tax Considerations” was provided by Thorsteinssons, special tax counsel to the Company.

24.2 Interest of Experts

No "professional person" has any beneficial interest, direct or indirect, in any securities or property of the Company or of an associate or affiliate of the Company save and except as follows:

(a) Duncan McIvor, the President, Chief Executive Officer and a director of the Company, is a professional geologist. Mr. McIvor holds 400,000 Common Shares of the Company and an option to purchase 750,000 Common Shares. See item 14 “Executive Compensation” and item 9 “Options to Purchase Securities”.

Except for Duncan McIvor, the President, Chief Executive Officer and a director of the Company, no "professional person" is, or is expected to be elected, appointed or employed as a director, senior officer or employee of the Company or its subsidiaries or proposed subsidiaries or of an associate or affiliate of the Company, or is a promoter of the Company or of an associate or affiliate of the Company. "Professional person" means a person whose profession gives authority to a statement made by the person in the person's professional capacity and includes a barrister and solicitor, a public accountant, an appraiser, an auditor, an engineer and a geologist.

Certain legal matters relating to this offering will be passed upon on behalf of the Company by Vector Corporate Finance Lawyers and on behalf of the Agent by Anfield Sujir Kennedy & Durno. As of the date hereof the partners of Vector Corporate Finance Lawyers and the partners and associates of Anfield Sujir Kennedy & Durno as a group own beneficially, directly or indirectly, or exercise control or direction over none of the issued and outstanding Common Shares of the Company.

25. OTHER MATERIAL FACTS

There are no other material facts relating to the securities offered by this Prospectus which are not previously disclosed under the foregoing captions.

26. PURCHASERS' STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. The securities legislation in several of the provinces further provides a purchaser with remedies for rescission in some jurisdictions, or damages, if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the purchaser's province for particulars of these rights or consult with a legal adviser.

27. FINANCIAL STATEMENTS

Attached to and forming a part of this Prospectus are the audited financial statements of the Company presenting the financial position of the Company for the period commencing December 16, 2003 to December 31, 2003 and for the year ending December 31, 2004, together with the auditor's report thereon.

AUDITORS' CONSENT

We have read the prospectus of Endurance Gold Corporation (the "Company") dated May 19, 2005 relating to the issue and sale of 4,800,000 flow-through common shares at a price of $0.25 per share and 3,200,000 units of the Company at $0.25 per unit for gross proceeds of $2,000,000 of the Company. We have complied with Canadian generally accepted standards for an auditor's involvement with offering documents.

We consent to the use in the above mentioned prospectus of our report to the directors of the Company on the balance sheets of the Company as at December 31, 2004 and 2003 and the statements of operations and deficit and cash flows for the year ended December 31, 2004 and the period from incorporation on December 16, 2003 to December 31, 2003. Our report is dated February 2, 2005 (except as to Note 11 which is as of May 19, 2005).

"DAVIDSON & COMPANY"

Vancouver, Canada | Chartered Accountants

May 19, 2005

1200 - 609 Granville Street, P.O. Box 10372, Pacific Centre, Vancouver, BC, Canada, V7Y 1G6
Telephone (604) 687-0947 Fax (604) 687-6172

ENDURANCE GOLD CORPORATION

FINANCIAL STATEMENTS

DECEMBER 31, 2004

AUDITORS' REPORT

To the Directors of
Endurance Gold Corporation

We have audited the balance sheets of Endurance Gold Corporation as at December 31, 2004 and 2003 and the statements of operations and deficit and cash flows for the year ended December 31, 2004 and the period from incorporation on December 16, 2003 to December 31, 2003. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2004 and 2003 and the results of its operations and its cash flows for the year ended December 31, 2004 and the period from incorporation on December 16, 2003 to December 31, 2003 in accordance with Canadian generally accepted accounting principles.

"DAVIDSON & COMPANY"

Vancouver, Canada

Chartered Accountants

February 2, 2005 (except as to Note 11, which is
as of May 19, 2005

1200 - 609 Granville Street, P.O. Box 10372, Pacific Centre, Vancouver, BC, Canada, V7Y 1G6
Telephone (604) 687-0947 Fax (604) 687-6172

ENDURANCE GOLD CORPORATION
BALANCE SHEETS
AS AT DECEMBER 31

	2004	2003
ASSETS		
Current		
Cash	$ 4,582	$ -
Receivables	30,644	-
	35,226	-
Deferred issue costs	40,577	-
Mineral properties (Note 3)	583,266	214,000
	$ 659,069	$ 214,000
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities	$ 61,962	$ -
Loan payable (Note 4)	119,541	-
	181,503	-
Shareholders' equity		
Capital stock (Note 5)	789,433	214,000
Subscriptions receivable (Note 6)	(163,275)	-
Deficit	(148,592)	-
	477,566	214,000
	$ 659,069	$ 214,000

Nature and continuance of operations (Note 1)

Subsequent events (Note 11)

On behalf of the Board:

"Duncan McIvor" Director ***" J. Christopher Mitchell"*** Director

The accompanying notes are an integral part of these financial statements.

ENDURANCE GOLD CORPORATION
STATEMENTS OF OPERATIONS AND DEFICIT

	Year Ended December 31, 2004	Period From Incorporation on December 16, 2003 to December 31, 2003
EXPENSES		
Corporate communications	$ 7,349	$ -
Interest and bank charges	669	-
Management fees	71,742	-
Office and administrative	22,983	-
Professional fees	44,527	-
Telephone and internet	1,322	-
Loss for the period	(148,592)	-
Deficit, beginning of period	-	-
Deficit, end of period	$ (148,592)	$ -
Basic and diluted loss per common share	$ (0.05)	$ (0.00)
Weighted average number of common shares outstanding	3,041,525	2,000,000

The accompanying notes are an integral part of these financial statements.

ENDURANCE GOLD CORPORATION
STATEMENTS OF CASH FLOWS

	Year Ended December 31, 2004	Period From Incorporation on December 16, 2003 to December 31, 2003
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the period	$ (148,592)	$ -
Changes in non-cash working capital items:		
Increase in receivables	(30,644)	-
Increase in accounts payable and accrued liabilities	61,962	-
Net cash used in operating activities	(117,274)	-
CASH FLOWS FROM INVESTING ACTIVITIES		
Mineral properties	(369,266)	-
Net cash used in investing activities	(369,266)	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Deferred issue costs	(40,577)	-
Issuance of shares	412,158	-
Loans payable	119,541	-
Net cash provided by financing activities	491,122	-
Net increase in cash during the period	4,582	-
Cash, beginning of period	-	-
Cash, end of period	$ 4,582	$ -

Supplemental disclosures with respect to cash flows (Note 6)

The accompanying notes are an integral part of these financial statements.

1. NATURE AND CONTINUANCE OF OPERATIONS

Endurance Gold Corporation (the "Company") (formerly 6172342 Canada Ltd.) was incorporated under the *Canada Business Corporations Act* on December 16, 2003 and continued into British Columbia on August 16, 2004. Its principal business activities are the exploration and development of resource properties. All of the Company's resource properties are located in Canada.

The Company is in the process of exploring and developing its resource properties and has not yet determined whether the properties contain ore reserves that are economically recoverable. The recoverability of the amounts shown for resource properties and related deferred exploration costs are dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production.

These financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future.

2. SIGNIFICANT ACCOUNTING POLICIES

Use of estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the year. Actual results could differ from these estimates.

Deferred issuance costs

Costs related to shares not yet issued are recorded as deferred issue costs. Deferred issue costs consist primarily of professional fees. These costs will be deferred until the issuance of the shares to which the costs relate, at which time the costs will be charged against the related capital stock or charged to operations if the shares are not issued. Any financing costs which do not directly relate to the issuance of shares are expensed as incurred.

Mineral properties

Costs related to the acquisition, exploration and development of mineral properties are capitalized by property until the commencement of commercial production. If commercially profitable ore reserves are developed, capitalized costs of the related property are reclassified as mining assets and amortized using the unit of production method. If, after management review, it is determined that capitalized acquisition, exploration and development costs are not recoverable over the estimated economic life of the property, or the property is abandoned, or management deems there to be an impairment in value, the property is written down to its net realizable value.

The amounts shown for mineral properties do not necessarily represent present or future values. Their recoverability is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development, and future profitable production or proceeds from the disposition thereof.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Loss per share

Basic loss per share is computed by dividing the loss for the period by the weighted average number of common shares outstanding during the period.

For diluted per share computations, adjustments are made regarding potential common shares outstanding during the period. The weighted average number of common shares is increased to include the number of additional common shares that would be outstanding if, at the beginning of the period, or at time of issuance, if later, all options and warrants are exercised. Proceeds from exercise are used to purchase the Company's common shares at their average market price during the year, thereby reducing the weighted average number of common shares outstanding. If these computations prove to be anti-dilutive, diluted loss per share is the same as basic loss per share.

Income taxes

The Company uses the asset and liability method of accounting for income taxes whereby future tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Future tax assets are recognized to the extent that realization of those assets is more likely than not. Future tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on future tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the date of enactment or substantive enactment.

3. MINERAL PROPERTIES

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral properties. The Company has investigated title to all of its mineral properties and, to the best of its knowledge, title to all of its properties are in good standing.

	Dogpaw Property
Balance at December 16, 2003	$ -
Acquisition costs	214,000
Balance at December 31, 2003	214,000
Airborne survey	71,600
Line cutting	59,692
Geological and miscellaneous	30,883
Diamond drilling	207,091
Balance at December 31, 2004	$ 583,266

3. MINERAL PROPERTIES (cont'd…)

Dogpaw Property

The Dogpaw Lake Property is located in north-western Ontario. The claims are 100% owned by the Company and were acquired by the issuance of 2,000,000 common shares valued at $214,000.

Nechako Gold Property

During the year, the Company entered into an option and joint venture agreement with Amarc Resources Inc. ("Amarc"), whereby the Company can earn a 60% interest in the "Bob" Property (now referred to as the Nechako Gold Property) by completing $250,000 in exploration expenditures and issuing 250,000 shares to Amarc over a three year period. The Company has the obligation to incur exploration expenditures of at least $50,000 on or before June 30, 2004. 50,000 common shares of the Company must be issued to Amarc within 10 business days following the Listing Date. In order to exercise the option, the Company must issue an additional 50,000 common shares on or before the first anniversary of the Listing Date and must incur the balance of the exploration expenditures and issue the remaining 150,000 common shares by the third anniversary of the Listing Date.

The Nechako Gold Project is comprised of the BOB and nearby JMD mineral claims within the Cariboo Mining District of central British Columbia.

4. LOAN PAYABLE

The loan payable is a short-term demand loan that is unsecured and bears no interest. The loan is from a significant shareholder of the Company.

5 CAPITAL STOCK

The authorized share capital of the Company consists of an unlimited number of common shares without par value.

Issued and outstanding:

	Number of Shares	Amount
Balance at December 16, 2003	-	$ -
Issued:		
For mineral property acquisition at $0.107 per share	2,000,000	214,000
Balance at December 31, 2003	2,000,000	214,000
For cash at $0.107 per share	5,377,880	575,433
Balance at December 31, 2004	7,377,880	$ 789,433

6. SUPPLEMENTAL DISCLOSURES WITH RESPECT TO CASH FLOWS

	2004	2003
Cash paid during the period for income taxes	$ -	$ -
Cash paid during the period for interest	$ -	$ -

During the year the Company issued 1,525,935 common shares for subscriptions receivable totalling $163,275 which was received subsequent to year end.

For the period ended December 31, 2003, the Company issued 2,000,000 common shares at a value of $214,000 for acquisition of mineral properties (Note 3).

7. RELATED PARTY TRANSACTIONS

During the year ended December 31, 2004, the Company entered into the following related party transactions:

a) paid or accrued management fees of $71,742 to a private company controlled by a director.

b) paid or accrued geological fees included in mineral property expenses of $20,000 to a private company controlled by a director.

c) paid or accrued legal expenses of $23,487 to a former director of the Company.

During the period ended December 31, 2003, the Company entered into the following related party transaction:

a) issued 2,000,000 common shares with a value of $214,000 to former directors of the Company to acquire the Dogpaw mineral property.

These transactions were in the normal course of operations and were measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

8. INCOME TAXES

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

	Year Ended December 31, 2004	Period From Incorporation on December 16, 2003 to December 31, 2003
Loss for the period	$ (148,592)	$ -
Income taxes (recovery)	$ (52,899)	$ -
Unrecognized benefit of non-capital losses	52,899	-
Total income taxes (recovery)	$ -	$ -

The significant components of the Company's future tax assets are as follows:

	December 31, 2004	December 31, 2003
Future tax assets:		
Loss carryforwards	$ 52,899	$ -
Less: valuation allowance	(52,899)	-
Net future tax assets	$ -	$ -

The Company has available for deduction against future taxable income non-capital losses of approximately $148,000. These losses, if not utilized, will expire commencing in 2014. Subject to certain restrictions, the Company also has resource expenditures available to reduce taxable income in future years. Future tax benefits which may arise as a result of non-capital losses have been offset by a valuation allowance due to the uncertainty of their realization.

9. SEGMENTED INFORMATION

The Company operates in one reportable operating segment in Canada, being the exploration and development of mineral properties.

10. FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash, receivables, accounts payable and accrued liabilities and loan payable. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of cash, receivables, accounts payable and accrued liabilities and loan payable approximate their carrying value, unless otherwise noted.

11. SUBSEQUENT EVENTS

Subsequent to December 31, 2004, the Company:

a) acquired an additional five claims around the existing Nechako Gold Property. Under the terms of the option and joint venture agreement with Amarc, the new claims have been included in the existing property agreement.

b) Staked three claims south of the Nechako Gold Property. These claims will be 100% owned by the Company.

c) The Company is in the process of filing a prospectus with the British Columbia and Alberta Securities Commissions offering 3,200,000 units and 4,800,000 flow-through shares for $0.25 per share/unit as an initial public offering. Each unit is comprised of one share and one warrant. Each warrant is exercisable for a period of 24 months from the date of closing at a price of $0.35 for the first year and $0.45 for the second year. The Company can force conversion of the warrants in the second year of the term if the shares trade at a price of $0.90 or higher for 20 consecutive days. Pursuant to an Agency Agreement with Haywood Securities Inc. (the “Agent”), the Agent will receive a commission of 7.5% of the gross proceeds payable in cash or units, be paid a corporate finance fee of $20,000, be issued 75,000 units on closing of the offering, and be issued compensation options to acquire up to 10% of the units and flow-through shares issued by the Company exercisable for a period of 24 months from the date the shares commence trading on the TSX-V. The proposed transaction is subject to regulatory approval.

d) The Company entered into an agreement whereby the President will provide geological and consulting services for a period of two years in the amount of $10,000 per month.

e) The Company entered into an agreement with a private company owned by the chief financial officer to provide management and consulting services at a minimum amount of $2,400 per month.

CERTIFICATE OF THE DIRECTORS AND PROMOTER OF THE ISSUER

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by Part 9 of the *Securities Act* (British Columbia), Part 9 of the *Securities Act* (Alberta) and Part XV of the *Securities Act* (Ontario) and the respective rules and regulations thereunder.

DATED: May 19, 2005

"Duncan McIvor"
Duncan McIvor
President and Chief Executive Officer

"J. Christopher Mitchell"
J. Christopher Mitchell
Chief Financial Officer

On behalf of the Board of Directors

"H. Ross Arnold"
H. Ross Arnold
Director

"Richard Gilliam"
Richard Gilliam
Director

Promoter

"Duncan McIvor"
Duncan McIvor

Cunniah Lake Inc.

Per: ***"H. Ross Arnold"***
(Signature)

H. Ross Arnold
(Print name)

CERTIFICATE OF THE AGENT

To the best of our knowledge, information and belief, the foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus required by Part 9 of the *Securities Act* (British Columbia), Part 9 of the *Securities Act* (Alberta) and Part XV of the *Securities Act* (Ontario) and the respective rules and regulations thereunder.

DATED: May 19, 2005

Haywood Securities Inc.

By: ***"Cliff Rich"***
Cliff Rich, Vice President, Corporate Finance

SCHEDULE “A”

FLOW-THROUGH SHARE SUBSCRIPTION AGREEMENT

BETWEEN

THE PERSONS LISTED AS PURCHASERS IN APPENDIX I TO THIS AGREEMENT

(the "Purchasers");

AND

ENDURANCE GOLD CORPORATION
of #906, 1112 West Pender Street, Vancouver, BC V6E 2S1

(the "Issuer").

WHEREAS each of the Purchasers has agreed to purchase, and the Issuer has agreed to sell, the number of Flow-Through Shares (as that term is defined in the Prospectus of the Issuer dated May 19, 2005 (the "Prospectus") set forth across from the Purchaser’s name on Appendix I to this Agreement;

THEREFORE, upon payment for the Flow-Through Shares by the Purchasers, and execution of this agreement by Haywood Securities Inc., as agent for the Purchasers having knowledge of the contents of this Agreement and having explicitly consented to Haywood Securities Inc. acting as their agent for this purpose, and by the Issuer, the Purchasers and the Issuer hereby irrevocably agree to be bound by the terms and conditions set forth in Appendix II to this Agreement, which is incorporated by reference herein, with respect to the Flow-Through Shares.

EXECUTED by Haywood Securities Inc., as agent for the Purchasers, this _______ day of ________________, 2005.

HAYWOOD SECURITIES INC.

Per: ________________________________
Authorized Signatory

EXECUTED by the Issuer this _____ day of _______________________, 2005

ENDURANCE GOLD CORPORATION

Per: ________________________________
Authorized Signatory

APPENDIX I
TO THE FLOW-THROUGH
SHARE SUBSCRIPTION AGREEMENT

Name of Purchaser	Address and Telephone Number of Purchaser	Number of Flow-Through Shares Purchased	– Social Insurance Number (If Purchaser is an Individual) – CRA Tax Number (If Purchaser is a Corporation) – Partnership ID Number (If Purchase is a Partnership)

APPENDIX II
TO THE FLOW-THROUGH
SHARE SUBSCRIPTION AGREEMENT

TERMS AND CONDITIONS GOVERNING FLOW-THROUGH SHARES

WHEREAS:

A. Endurance Gold Corporation (the "Issuer") has applied to have its common shares listed on the Exchange and is subject to the regulatory jurisdiction of the Exchange and the Commissions;

B. The Issuer has certain interests in natural resource properties situated in Canada (collectively, the "Property");

C. The Issuer is a "principal-business corporation" as that phrase is defined in subsection 66(15) of the *Income Tax Act* of Canada (the "ITA");

D. It is the intention of the Issuer, either alone or in conjunction with others, to carry out or participate in an exploration program on the Property for the purpose of determining the existence, location, extent and quality of the mineral resources located thereon (the "Program");

E. The expenses incurred in performing the Program will:

(a) qualify as:

(i) "Canadian exploration expense" as described in paragraph (f) of the definition thereof in subsection 66.1(6) of the ITA (other than expenditures which constitute "Canadian exploration and development overhead expense" ("CEDOE") as prescribed for the purposes of paragraph 66(12.6)(b) of the ITA and seismic expenses specified in paragraph 66(12.6)(b.1) of the ITA); and

(ii) "flow-through mining expenditures" for the purposes of subsection 127(9) of the ITA (the "FTME Tax Credit"), to the extent such expenses are incurred before 2006 or, if applicable, the last day of any period of time after 2005 which may in future be allowed by the Canadian income tax authorities as the period on or before which the Issuer may incur such expenditures so as to allow a Purchaser to claim an FTME Tax Credit (the "FTME Deadline"); and

(b) to the extent such expenses are incurred before the FTME Deadline, be incurred by conducting mining exploration activities from or above the surface of the earth for the purpose of determining the existence, location, extent or quality of a mineral resource described in paragraph (a) or (d) of the definition of "mineral resource" in subsection 248(1) of the ITA which in paragraph (a) of the definition is a base or precious metal deposit, or a mineral deposit in respect of which:

(i) the federal Minister of Natural Resources has certified that the principal mineral extracted is an industrial mineral contained in a non-bedded deposit,

(ii) the principal mineral extracted is ammonite gemstone, calcium chloride, diamond, gypsum, halite, kaolin or sylvite, or

(iii) the principal mineral extracted is silica that is extracted from sandstone or quartzite;

and which is not an expense in respect of:

(iv) trenching, if one of the purposes of the trenching is to carry out preliminary sampling (other than Specified Sampling),

(v) digging test pits (other than digging test pits for the purpose of carrying out Specified Sampling), and

(vi) preliminary sampling (other than Specified Sampling);

which expenses are hereinafter referred to as "Qualifying Expenses";

F. Certain persons (individually, the "Purchaser") have purchased or will purchase Flow-Through Shares for the price of $0.25 each;

G. The Purchaser has agreed to fund, in part, the Program by purchasing the Flow-Through Shares; and

H. The Issuer has agreed to apply the funds received from the Purchaser as the price for Flow-Through Shares to carry out the Program and to renounce the expenditures associated therewith to the Purchaser in accordance with the terms of this Appendix II.

1. DEFINITIONS

In this Appendix, the following words have the following meanings unless otherwise indicated:

(a) "Agent" means Haywood Securities Inc. or one of its sub-agents;

(b) "Agreement" means the agreement between the Issuer and the Purchaser pursuant to which they irrevocably agreed to be bound by the terms and conditions set forth in this Appendix and, for greater certainty, includes this Appendix;

(c) "Appendix" means this Appendix II;

(d) "CEDOE" has the meaning set forth in recital E above;

(e) "Commissions" means the British Columbia Securities Commission, the Alberta Securities Commission and the Ontario Securities Commission;

(f) "Exchange" means the TSX Venture Exchange;

(g) "Flow-Through Funds" means $0.25 per Flow-Through Share;

(h) "Flow-Through Shares" means the previously unissued common shares of the Issuer having the special "flow-through" share features described in this Appendix and in the Prospectus;

(i) "Issuer" has the meaning set forth in recital A above;

(j) "ITA" has the meaning set forth in recital C above;

(k) "Program" has the meaning set forth in recital D above;

(l) "Property" has the meaning set forth in recital B above;

(m) "Prospectus" means the prospectus of the Issuer dated May 19, 2005;

(n) "Purchaser" has the meaning set forth in recital F above;

(o) "Qualifying Expenses" has the meaning set forth in recital E above; and

(p) "Specified Sampling" means the collecting and testing of samples in respect of a mineral resource (as that phrase is defined in the ITA) except that specified sampling does not include

(i) the collecting or testing of a sample that, at the time the sample is collected, weighs more than 15 tonnes, and

(ii) the collecting or testing of a sample collected at any time in a calendar year in respect of any one mineral resource if the total weight of all such samples collected (by the Issuer, any partnership of which it is a member or any combination of the Issuer and any such partnership) in the period in the calendar year that is before that time (other than samples each of which weighs less than one tonne) exceeds 1,000 tonnes.

2. ISSUE OF FLOW-THROUGH SHARES

Following receipt by the Issuer from the Purchaser of the subscription price for Flow-Through Shares , the Issuer will:

(a) deposit the Flow-Through Funds in a bank account (the "Exploration Account") established by the Issuer for the purpose of financing the Program;

(b) issue to the Purchaser the number of Flow-Through Shares the Purchaser purchased; and

(c) deliver to the Purchaser a share certificate representing that number of Flow-Through Shares the Purchaser purchased.

3. ACCRUED INTEREST ON EXPLORATION ACCOUNT

The Purchaser acknowledges that any interest accruing on Flow-Through Funds in the Exploration Account will accrue to the sole benefit of the Issuer and may be applied by the Issuer for general corporate purposes.

4. ADDITIONAL PURCHASERS TO PARTICIPATE IN THE PROGRAM

The Purchaser acknowledges that the Issuer has entered into and will be entering into agreements similar to the Agreement with other persons in respect of the Flow-Through Shares. Such agreements may be dated for reference the same date as the Agreement. Any Flow-Through Funds paid to the Issuer pursuant to the terms of such agreements will also be deposited in the Exploration Account. If the Issuer, however, sells rights to acquire, or issues, "flow-through" common shares pursuant to private placements or pursuant to other public offerings, any subscription funds received from such private placements or public offerings will be deposited into a bank account separate from the Exploration Account and will not be commingled with the funds deposited in the Exploration Account, it being the intention of the Issuer that separate subscriber’s exploration accounts be established for each such private placement or public offering. Subject to section 6, the Issuer will expend each subscriber’s exploration accounts in the order of:

(a) the reference date of any private placement "flow-through" subscription agreements entered into for such private placements; and

(b) the date of closing of such public offerings,

such that the subscription funds from the oldest "flow-through" financing will always be spent first and renunciation made in respect of such expenditures before any renunciations are made in respect of any exploration expenditures that are financed from subsequent "flow-through" financings.

5. APPLICATION OF FLOW-THROUGH FUNDS

Subject to the Issuer's right to revise the Program as provided in section 17 below, the Issuer will apply a sum of money equal to the Flow-Through Funds as expenditures on the Program and the Issuer will only apply such funds to incur expenditures which are Qualifying Expenses.

6. SCHEDULE FOR INCURRING RESOURCE EXPENDITURES

6.1 Unless the Purchaser gives notice to the Issuer or the Issuer gives notice to the Purchaser to the contrary (the "Notice Requirement") during the periods of time described in paragraphs 6.2(a) or 6.2(b), for the purposes of this Appendix the Purchaser will be deemed to be dealing with the Issuer at "arm's length", as that term is used in the ITA.

6.2 The Issuer will expend as much of the Flow-Through Funds as is commercially reasonable between the date the Agreement is entered into (the "Effective Date") and:

(a) the end of February of the year after the year in which the Effective Date occurs, if the Notice Requirement has not been fulfilled prior to December 1 of the year in which the Effective Date occurs; or

(b) December 31 of the year in which the Effective Date occurs, if the Notice Requirement has been fulfilled prior to December 1 of such year.

6.3 The Issuer will expend as much of the remainder of the Flow-Through Funds as is commercially reasonable between the date described in paragraph 6.2(a) or (b), as the case may be, and December 31 of the year after the year in which the Effective Date occurs and, in any event, the Issuer will expend the Flow-Through Funds on or before the date which is the last day of the twenty-fourth month after the end of the month that includes the Effective Date.

7. ISSUER TO RENOUNCE RESOURCE EXPENDITURES IN FAVOUR OF PURCHASER

7.1 Subject to sections 7.2 and 7.3, the Issuer will, within the times set out below and in accordance with the provisions of subsections 66(12.6) and 66(12.66) of the ITA, take all necessary steps to renounce in favour of the Purchaser, the amount of Qualifying Expenses incurred by it using the Flow-Through Funds under the Program during the periods specified below:

(a) on or before March 31 of the year following the year (the "Base Year") in which the Effective Date occurs, if the Purchaser has paid the price for Flow-Through Shares in the Base Year the Issuer will renounce, effective December 31 of the Base Year, Qualifying Expenses it has incurred between the Effective Date and the end of February of the year following the Base Year;

(b) on or before March 31 of the year following the Base Year, if the Purchaser has paid the price for Flow-Through Shares in the Base Year the Issuer will renounce, effective December 31 of the Base Year, Qualifying Expenses it has incurred or plans to incur between March 1 and December 31 of the year following the Base Year; and

(c) with respect to Qualifying Expenses which are not renounced in accordance with paragraphs 7 .1(a) or (b), the Issuer will renounce those expenditures effective as of the earliest possible calendar year and, in any event, before March of the calendar year following the date which is 24 months after the end of the month that includes the Effective Date.

7.2 Should the Notice Requirement be fulfilled prior to December 1 of the Base Year, the term "February of the year following" will be deleted from paragraph 7.1(a), paragraph 7.1(b) will be deleted, paragraph 7.1(c) will become paragraph 7.1(b) and the term "paragraphs 7.1(a) or (b)" therein will be replaced with "paragraph 7.1(a)".

7.3 The aggregate Qualifying Expenses renounced to the Purchaser will not be less than nor exceed the consideration paid by the Purchaser for Flow-Through Shares.

7.4 The Purchaser acknowledges that if the Issuer renounces Qualifying Expenses pursuant to paragraph 7.1(b) (otherwise than as amended pursuant to section 7.2) and does not incur all or part of the Qualifying Expenses which it planned to incur during the period specified therein, the Issuer will be required to reduce the amount of Qualifying Expenses renounced pursuant to that paragraph and, as a result, the Purchaser:

(a) may be subject to increased income tax liabilities and interest for the year in respect of which the excess renunciation was made; and

(b) may be required to file appropriate amendments to the Purchaser's income tax return for that and other years.

8. ISSUER TO FILE PRESCRIBED FORM IN RESPECT OF RENUNCIATIONS

The Issuer will file, in respect of each renunciation made pursuant to this Appendix, before the last day of the month following the date of making such renunciation, such information returns with the Canada Revenue Agency ("CRA") as are prescribed by subsection 66(12.7) of the ITA and will send concurrently a copy of such information returns to the Purchaser.

9. ISSUER TO FILE COPY OF AGREEMENT WITH CRA

The Issuer will file, together with a copy of the Prospectus (or other selling instrument) or the Agreement, the prescribed form referred to in subsection 66(12.68) of the ITA with the CRA on or before the last day of the month following the earlier of:

(a) the month in which the Agreement is entered into; and

(b) the month in which the Prospectus (or other selling instrument) is first delivered to a potential investor.

10. ISSUER TO FILE PART XII.6 RETURN WITH CRA

The Issuer will file, before March of the year following a particular year, any return required to be filed under Part XII.6 of the ITA in respect of the particular year, and will pay any tax or other amount owing in respect of that return on a timely basis.

11. ISSUER TO FILE PRESCRIBED FORM WITH CCRA IN RESPECT OF EXCESS

Where an amount that the Issuer has purported to renounce to the Purchaser effective December 31 of the Base Year pursuant to paragraph 7.1(a) or (b) (otherwise than as amended pursuant to section 7.2) exceeds the amount that it can renounce on that effective date because it did not actually incur Qualifying Expenses within the period of time specified in that paragraph, and at the end of the year following the Base Year the Issuer knew or ought to have known of all or part of such excess renunciation, the Issuer will file a statement in prescribed form before March of the second year following the Base Year, all as required by subsection 66(12.73) of the ITA. A copy of such statement will be sent concurrently to the Purchaser.

12. WARRANTIES

12.1 The Purchaser acknowledges, represents, warrants and covenants to and with the Issuer that, as at the effective date of the Prospectus and at the Effective Date:

(a) the Purchaser is dealing at arm's length (as that term is used in the ITA) with the Issuer and, notwithstanding the fulfilment or non-fulfilment of the Notice Requirement pursuant to section 6, the Purchaser acknowledges that if at any time during the year following the Base Year, the Purchaser is not dealing at arm's length with the Issuer and the Issuer renounces Qualifying Expenses it incurs or plans to incur pursuant to paragraph 7.1(a) or (b) (otherwise than as amended pursuant to section 7.2), notwithstanding the provisions of those paragraphs, the renunciation will not be effective December 31 of the Base Year;

(b) if:

(i) either the Purchaser or the Issuer has not executed the Agreement, or

(ii) the Purchaser has not paid the subscription price for the Flow-Through Shares to the Issuer

on or before December 31 of a particular year, the Purchaser will not be entitled to have any Qualifying Expenses incurred after the particular year renounced to the Purchaser effective December 31 of the particular year, pursuant to paragraphs 7.1(a) or (b) otherwise than as amended pursuant to section 7.2)

(c) the Purchaser is not a "non-resident" of Canada for the purposes of the Tax Act;

(d) the Purchaser has received and reviewed a copy of the Prospectus;

(e) the Purchaser (or others to whom it is contracting hereunder) has been advised to consult its own legal and tax advisors with respect to applicable resale restrictions and tax considerations, and it (or others for whom it is contracting hereunder) is solely responsible for compliance with applicable resale restrictions and applicable tax legislation;

(f) the Purchaser hereby waives any right that he or she may have to any federal or provincial credits, grants or similar or like payments, other than as set out herein and in the Prospectus arising or resulting from the incurring of Canadian exploration expenses and acknowledges that such credits, grants and similar or like payments shall belong to, be vested in and accrue solely to the benefit of the Issuer; and

(g) the Purchaser is of the full age of majority and has the legal capacity and competence to enter into and be bound by this Agreement and take all action pursuant to this Agreement.

and the Purchaser agrees that the above acknowledgements, representations, warranties and covenants in this subsection will be true and correct both as of the Purchaser’s execution of the Agreement and as of the Effective Date.

12.2 The Issuer represents, warrants and covenants that, as of the effective date of the Prospectus and at the Effective Date:

(a) the Issuer is, and at all material times will remain, a "principal-business corporation" within the meaning prescribed by subsection 66(15) of the ITA;

(b) the Flow-Through Shares will qualify as "flow-through" shares as defined in subsection 66(15) of the ITA and in particular will not be prescribed shares as defined in section 6202.1 of the regulations to the ITA; and

(c) the Issuer will incur expenses which are Qualifying Expenses in an amount which equals the proceeds derived from the sale of Flow-Through Shares to the Purchaser, renounce that amount to the Purchaser and otherwise comply with its obligations as set forth in this Appendix,

and the Issuer agrees that the above representations, warranties and covenants in this subsection will be true and correct both as of the Issuer’s execution of the Agreement and as of the Effective Date.

13. NO RENUNCIATION TO THIRD PARTIES, AND ALLOCATION OF RENOUNCED AMOUNTS

The Issuer will not renounce any Qualifying Expenses in respect of the Program in favour of any person other than the Purchaser and the other purchasers who purchase Flow-Through Shares. For the purpose of determining the extent to which the Flow-Through Funds received by the Issuer from the Purchaser have been the subject of renunciation under the ITA, the total amount expended on Qualifying Expenses will be allocated among the Purchaser and the other purchasers who purchase Flow-Through Shares, on a basis pro rata to the relative amounts of their respective contributions of flow-through funds, and as set forth in the information returns required by subsection 66(12.7) of the ITA.

14. ISSUER NOT TO CLAIM A DEDUCTION IN RESPECT OF THE RESOURCE EXPENDITURES

The Issuer acknowledges that it has no right to claim any deduction for Qualifying Expenses or depletion of any sort in respect of the Qualifying Expenses and covenants not to claim any such deduction when preparing its tax returns from time to time.

15. ISSUER TO ACCOUNT TO PURCHASER

The Issuer will maintain proper accounting books and records relating to the Exploration Expenditures. On the completion of the Program, the Issuer will account to the Purchaser in respect of the application of the Flow-Through Funds.

16. NO DISSEMINATION OF CONFIDENTIAL INFORMATION

The Issuer will be entitled to hold confidential all information relating to any program on which any portion of the Flow-Through Funds is expended pursuant to the Agreement and it will not be obligated to make such information available to the Purchaser except in the manner and at such time as it makes any such information available to its shareholders or to the public pursuant to the rules and policies of any stock exchange or laws, regulations or policies of any province.

17. REVISION OF THE PROGRAM

While it is the present intention of the Issuer to undertake the Program, it is the nature of mining exploration that data and information acquired during the conduct of a resource development program may alter the initially proposed Program and the Issuer expressly reserves the right to alter the Program on the advice of its technical staff or consultants and further reserves the right to substitute other resource programs on which to expend part of the Flow-Through Funds, provided such programs entail the incurrence of Qualifying Expenses and are otherwise capable of renunciation by the Issuer to the Purchaser pursuant to the Agreement.

18. OTHER FLOW-THROUGH SHARE SALES

The Purchaser acknowledges that there may be other sales of Flow-Through Shares, some or all of which may occur after the acquisition of Flow-Through Shares by the Purchaser. The Purchaser further acknowledges that there is a risk that insufficient funds may be raised from the sale of Flow-Through Shares to fund the Issuer’s objectives described in the Prospectus, if any, and that it is possible that no Flow-Through Shares may be purchased after the Purchaser has done so.

19. ISSUER’S ACCEPTANCE

The Agreement, when executed by the Agent on the Purchaser’s behalf and delivered to the Issuer, will constitute a subscription for Flow-Through Shares which will not be binding on the Issuer until accepted by the Issuer by executing this Agreement in the space provided on the first page of the Agreement and, notwithstanding the reference date on that page, if the Issuer accepts the subscription by the Purchaser, the Agreement will be entered into on the date of such execution by the Issuer.

20. MISCELLANEOUS

20.1 The Purchaser hereby irrevocably authorizes the Agent, in its sole discretion:

(a) to act as the Purchaser’s representative to receive certificates for Flow-Through Shares subscribed for and to execute in his, her or its name and on his, her or its behalf all closing receipts and documents required; and

(b) to waive, in whole or in part, any representations, warranties, covenants or conditions for the benefit of the Purchaser contained herein or in any agreement or document ancillary or related thereto.

20.2 The Agreement is not assignable or transferable by either of the parties hereto without the express written consent of the other party hereto.

20.3 Time is of the essence of this Appendix and will be calculated in accordance with the provisions of the *Interpretation Act* (British Columbia).

20.4 Except as expressly provided in this Appendix and in the Prospectus, agreements, instruments and other documents contemplated or provided for herein, the Agreement contains the entire agreement between the parties with respect to Flow-Through Shares and there are no other terms, conditions, representations or warranties whether expressed, implied, oral or written, by statute, by common law, by the Issuer, by the Agent, or by anyone else.

20.5 The parties to the Agreement may amend the Agreement only in writing.

20.6 The Agreement enures to the benefit of and is binding upon the parties to the Agreement and their successors and permitted assigns.

20.7 A party to the Agreement will give all notices to or other written communications with the other party to the Agreement concerning the Agreement by hand or by registered mail addressed to such party, in the case of the Issuer to the address given on the Prospectus and in the case of the Purchaser, c/o the Agent at its address given on the Prospectus.

20.8 This Appendix is to be read with all changes in gender or number as required by the context.

20.9 The Agreement will be governed by and construed in accordance with the laws of British Columbia, and the parties hereto irrevocably attorn and submit to the jurisdiction of the courts of British Columbia with respect to any dispute related to the Agreement.

END OF APPENDIX II