TECHNICAL REPORT

on the

OK COPPER PROPERTY

Powell River Area
Vancouver Mining Division
British Columbia

Latitude: 49^{0}59.5' – 50^{0}04.6' North
Longitude: 124^{0}37.0' – 124^{0}41.2' West
NTS Map-Areas 92K/02E, 92F/15E

Prepared for

PROPHECY RESOURCES CORP.

By

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October 5, 2006

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Consulting Geologist

TABLE OF CONTENTS

List of Figures

SUMMARY

Prophecy Resources Corp. has entered into an option agreement to earn a 60% interest in the OK porphyry copper property situated on the southwest coast of British Columbia 145 kilometres northwest of Vancouver. The property consists of eleven contiguous legacy and cell mineral claims covering an area of 3950 hectares between two navigable ocean inlets some 25 kilometres north of the community of Powell River. Access to the property is by way of 30 kilometres of highway and secondary logging roads.

Since its discovery in 1965, the OK property has been explored by a number of geological, geochemical and geophysical surveys and by more than 15000 metres of drilling. The central part of the property features relatively gentle topography with elevations ranging from 800 to 1100 metres above sea level. Coast Plutonic Complex granitic rocks of mid-Cretaceous age underlie much of the immediate area. These have been intruded by a 3.6 x 2.3 kilometres multiple phase intrusive complex which hosts copper and lesser molybdenum mineralization in the central part of the current property. Principal intrusive phases include a peripheral quartz diorite, the main mineralized host rock and a central, essentially barren, north-trending quartz-feldspar porphyry dyke. Several mineralized intrusive phases are evident within the quartz diorite including an intrusive breccia exposed in the southern property area. Post-mineral, barren basic dyke swarms are numerous.

Eight zones of copper and molybdenum mineralization have been identified over a northerly trend of 5 kilometres in the central property area. All but one of these zones consist of pyrite, chalcopyrite and molybdenite hosted by narrow quartz veinlets and stockworks . Copper grades within these zones range from 0.10% to 0.30% and are accompanied by MoS_2 (molybdenite = molybdenum disulphide) grades of between 0.010% and 0.020%. An intrusive breccia in the southern property area features higher copper grades of up to several per cent plus some silver and molybdenite. All of the known zones are reflected by anomalous copper, molybdenum and silver values in soils.

Limited investigation of precious metals contents to date suggests that gold values may be inconsequential but it is of significance that elevated silver values are associated with coincident, anomalous copper and molybdenum values in soils over all of the known mineralized zones.

An airborne geophysical survey, completed in 2004, provided useful information regarding the geological setting of the OK property and also identified a number of anomalous features which have received only limited attention to date.

The results of a 2005 drilling program on one of the known mineral zones (North Lake Zone) have been combined with results of previous drilling to prepare a revised estimate of an Inferred Mineral Resource. At a copper cutoff grade of 0.20%, the Inferred Mineral Resource totals 86.8 million tonnes grading 0.31% copper and 0.014% MoS_2; at a 0.30% copper cutoff grade, the resource is 17.2 million tonnes grading 0.43% copper and 0.014% MoS_2.

Additional diamond drilling is recommended as part of a first phase program to expand known resources within the North Lake Zone. Additional surface investigations are also recommended as part of first phase work which is estimated to cost $$333,800.00. The nature and scope of a second phase program, estimated to cost $540,500.00, would be predicated by the results of first phase work.

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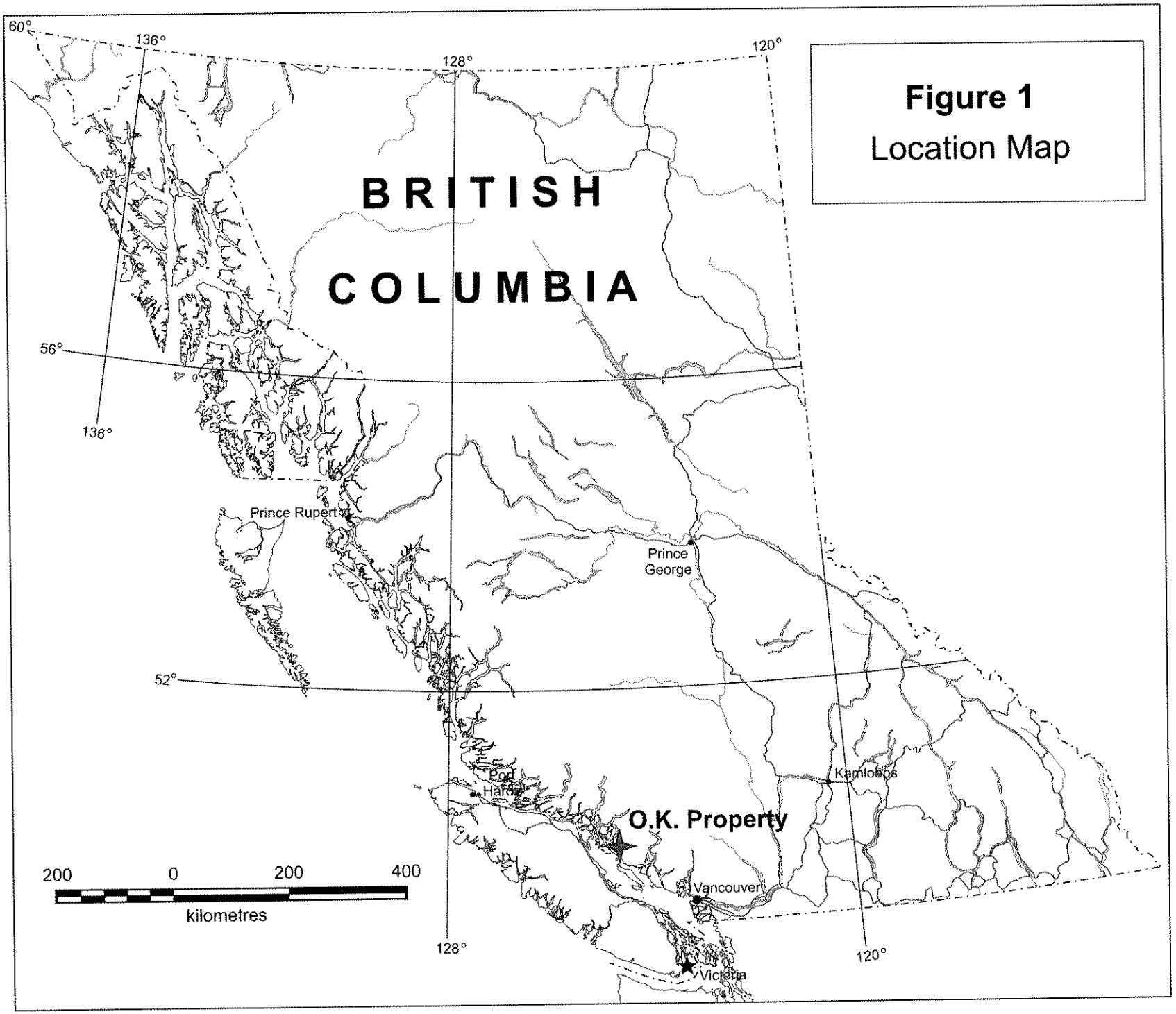
Figure 1
Location Map
BRITISH
COLUMBIA
60°
136°
128°
120°
56°
52°
Prince Rupert
Prince
George
Port
Hardy
Kamloops
O.K. Property
Vancouver
Victoria
200
0
200
400
kilometres

INTRODUCTION and TERMS OF REFERENCE

Prophecy Resources Corp. is party to an agreement which provides the company with an option to acquire a 60% interest in the OK copper property which is situated north of the community of Powell River on the southwest coast of British Columbia. Historic and recent work on this property has identified widespread copper and molybdenum plus some associated silver and gold mineralization within a typical porphyry copper geological environment.

The author of this report has prepared a number of previous technical reports on the OK property for various clients over the past fifteen years. Most recently, the writer was retained by Goldrush Resources Ltd. to review the results of previous exploratory work on the OK property, to comment on the potential of the property and to provide recommendations regarding the nature and scope of further exploratory work programs. These findings were incorporated in reports dated March 29 and May 31, 2004 (Carter, 2004 a,b) and subsequent reports several months later (Carter, 2005a) summarized the results of an airborne geophysical survey conducted on behalf of Goldrush over a large part of the OK property in mid summer of 2004.

Sources of information used in the preparation of previous reports include a number of technical reports detailing work on the subject property between 1966 and 2003. Many of these reports were filed in support of assessment work requirements and are readily available in BC Ministry of Energy Mines and Petroleum Resources public files. Published and unpublished reports and maps also provided useful information and citations for these and the various assessment reports are contained in the Reference section of this report. Particular use was made of summary drill sections in the writer's personal files and more complete data files acquired by the property owner Eastfield Resources Ltd. in early 2005. These data provided the information necessary to prepare an estimate of mineral resources for one of the known mineral zones on the OK property (Carter, 2005b).

This technical report, which has been prepared at the request of Prophecy Resources Corp., incorporates in a summary way much of the information contained in earlier reports and includes a review of exploratory programs conducted in 2005 and 2006. Results obtained from a limited drilling program have been incorporated in a revised estimate of mineral resources and the report also includes recommendations for additional exploratory work. The report has been prepared in compliance with the requirements of National Instrument 43-101 and Form 43-101F1 and is intended to be used as supporting documentation for filing with the British Columbia Securities Commission and the TSX Venture Exchange.

As noted, the writer has prepared a number of technical reports on the OK copper property since undertaking an initial personal examination of the property in June of 1984. More recent examinations were undertaken September 8, 2004 following receipt of a report on an airborne geophysical survey and on August 9, 2005 while a diamond drilling program was in progress.

The writer, the "qualified person" for purposes of this report, has a good working knowledge of porphyry copper and molybdenum deposits and prospects derived by way of numerous mineral property examinations and geological mapping programs throughout British Columbia for both government and the private sector over the past 42 years.

Units of measure in this report are metric unless otherwise noted; monetary amounts referred to are in Canadian dollars.

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PROPERTY DESCRIPTION and LOCATION

The OK copper-molybdenum property consists of eleven contiguous mineral claims located in the Vancouver Mining Division of southwestern British Columbia 25 kilometres north of Powell River and 145 kilometres northwest of Vancouver (Figure 1). Seven of these claims are "legacy" four-post mineral claims comprising 123 mineral claim units which were located more than 25 years ago; the remaining four are cell mineral claims acquired under the current British Columbia Mineral Titles online system which came into effect January 12, 2005. Note that these claims, which include "cells" defined by latitude and longitude, in part overlap some of the pre-existing, recorded claims. Collectively, the claims cover an area of approximately 3950 hectares between latitudes $49^0$59.5' and $50^0$04.6' North and longitudes $124^0$37.0' and $124^0$41.2' West in NTS map-areas 92K/02E and 92F/15E.

The configuration of the mineral claims is illustrated on Figure 2 which is based on BC Mineral Titles Online mineral map data. Details of the various mineral claims are as follows:

Table 1: OK Mineral Claims

Legacy Mineral Claims

Claim Name	Record Number	Units	Date of Record	Expiry Date
OK A	258171	20	June 17, 1981	November 30, 2008
OK B	258172	20	June 17, 1981	November 30, 2008
OK C	258173	20	June 17, 1981	November 30, 2008
OK D	258174	18	June 17, 1981	November 30, 2008
OK E	258175	10	June 17, 1981	November 30, 2008
OK F	258176	15	June 17, 1981	November 30, 2008
OK G	258177	20	June 17, 1981	November 30, 2008

Cell Mineral Claims

Claim Name	Record Number	Cells	Date of Record	Expiry Date
OK Connector	519763	8	September 7, 2005	September 7, 2008
OK H	504530	25	January 21, 2005	January 21, 2008
OK West	533994	14	May 12, 2006	May 12, 2007
OK Northwest	539544	4	August 17, 2006	August 17, 2007

All claims are registered in the name of Eastfield Resources Ltd. and are subject to a March 4, 2003 option agreement with Robert Edward Mickle of Likely, B.C. whereby Eastfield has the right to earn a 100% interest in the property subject to a 2.5% net smelter royalty interest which may be purchased from the vendor for $2 million on commencement of commercial production. Cash payments to the vendor totaling $88,000 over a five years period are due at six month intervals in addition to the annual issuance of Eastfield securities amounting to 125,000 shares over the life of the agreement.

Eastfield Resources Ltd. subsequently (April 24, 2003) granted Lumina Copper Corp. an option to earn up to a 100% interest in the OK by way of incremental, annual cash payments to Eastfield over a six year period and incurring certain exploration expenditures over the same time frame. Lumina' initial obligations consisted of a $10,000 payment to Eastfield and agreeing to incur $35,000 in exploration expenditures prior to the

end of 2003. Lumina served notice of its intention to terminate the option agreement February 27, 2004.

Goldrush Resources Ltd. entered into a March 8, 2004 agreement with Eastfield Resources Ltd. whereby Goldrush had the option to earn a 70% interest in the OK property. Terms of this agreement include a $10,000 payment to Eastfield by March 31, 2004 (payable in cash or shares of Goldrush at Goldrush's election) and funding $80,000 in exploration expenditures on the property by July 31, 2004. To fully exercise its option, Goldrush must incur cumulative property expenditures totaling $1 million and remit property payments to Eastfield (in either cash or stock) totaling $110,000 prior to the fourth anniversary of the agreement in 2008. Goldrush maintained the option in good standing through March of 2006 by way of making the necessary payments to Eastfield and by completing various exploration programs on the property which included an airborne geophysical survey in 2004 and a $190,000 diamond drilling program in 2005.

By way of a March 31, 2006 agreement, Goldrush elected to assign its interest in the option agreement to Prophecy Resources Ltd. in exchange for 100,000 shares of Prophecy and a $10,000 cash payment. The new agreement, which provides Prophecy the option to earn a 60% interest in the OK property, also specifies that Prophecy make certain cash payments and/or stock issuances amounting to $105,000 to Eastfield over the next four years plus incur exploration expenditures totaling $1 million over the same time frame. A $100,000 program was funded by Prophecy in May and June of 2006.

Legacy mineral claims in British Columbia may be kept in good standing by incurring assessment work or by paying cash-in-lieu of assessment work in the amount of $100 per mineral claim unit per year during the first three years following the location of the mineral claim. This amount increases to $200 per mineral claim unit in the fourth and succeeding years. Cell mineral claims require an equivalent amount of assessment work or cash-in-lieu payments based on the area of the individual claims. Required assessment work is $4 per hectare for each of the first three years of claim ownership after which the required amount increases to $8 per hectare.

Assessment work performed since 2003 on the OK property includes surface mapping and sampling, an airborne geophysical survey in 2004 and a 2005 diamond drilling program. As indicated on Table 1, most of the mineral claims comprising the OK property are in good standing until 2008.

Exploration work involving surface disturbance on mineral properties in British Columbia requires the filing of A Notice of Work and Reclamation with the Ministry of Energy and Mines. The issuance of a permit facilitating such work may involve the posting of a reclamation bond. Such a bond has been in place since 2005.

The writer is not aware of any specific environmental liabilities to which the various mineral claims are subject, however, the eastern boundary of a Mineral Reserve (number 383625) prohibiting mineral claim staking is within 0.5 and 1 kilometre of the western OK property boundary. This reserve of approximately 45 km^2 , which extends northwesterly from IR 1 immediately north of Powell River and borders the east shore of Okeover Inlet, was created January 17, 2003 to cover a proposed expansion of the existing Indian Reserve pursuant to treaty negotiations between the Sliammon first nation and the governments of Canada and British Columbia. An agreement in principle between the parties has yet to be ratified by band members. Eastfield Resources Ltd., in its capacity as owner and operator of the OK project, has a good working relationship with the local first nation.

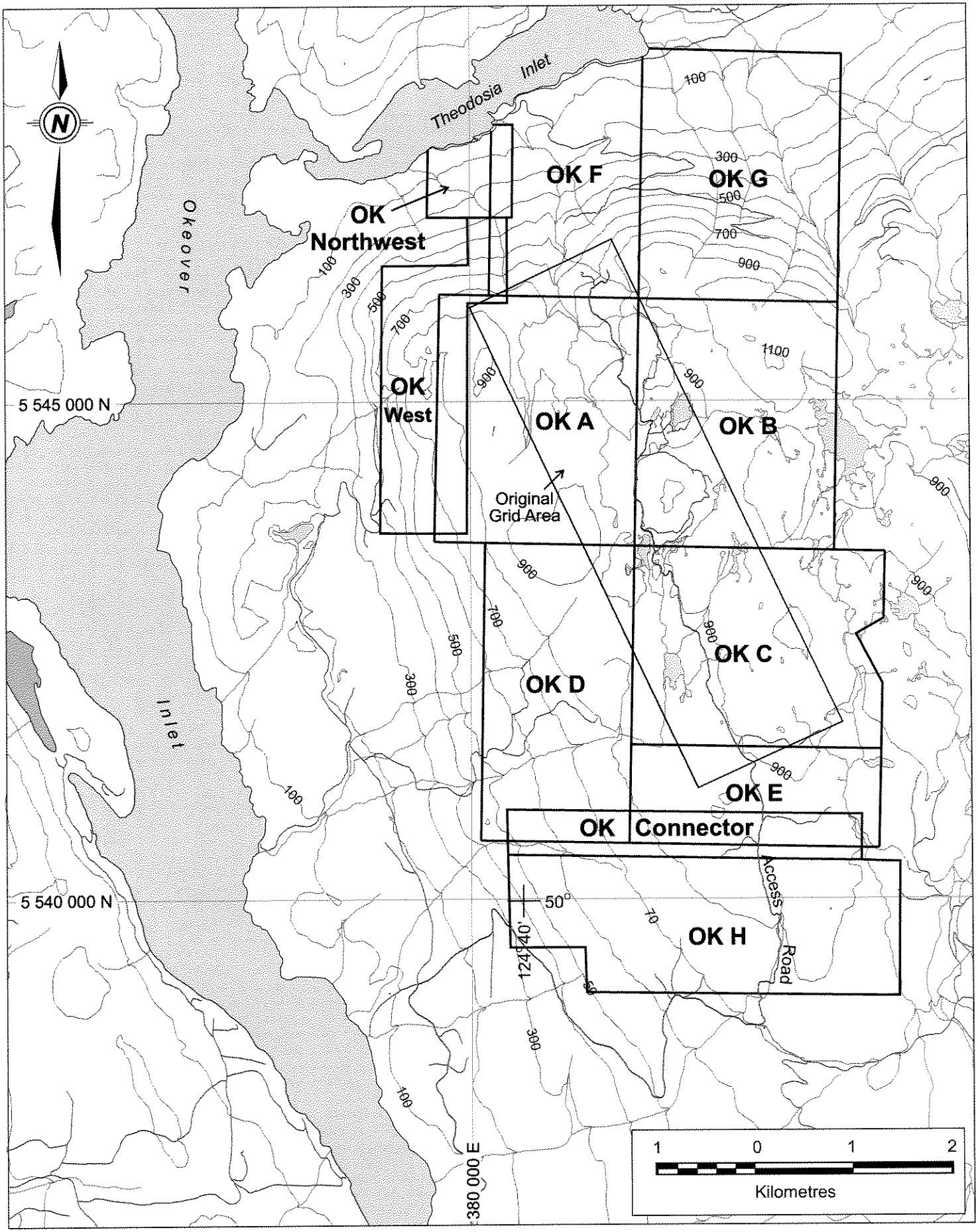

Figure 2: O. K. Property - Mineral Claims

ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE and PHYSIOGRAPHY

The OK copper property is situated on the southwest coast of British Columbia and borders the south shore of Theodosia Inlet (Figure 2). Mineral claims comprising the property are about midway between Powell Lake on the east and Okeover Inlet on the west (Figure 3). The southern part of the property is accessible by vehicle via highway 101 and secondary logging roads from the community of Powell River. Road distance is about 35 kilometres; driving time is approximately one hour. The preferred access route from the BC ferry terminal in the southern part of Powell River (Westview) is northwest by way of highway 101 to Southview Road, a distance of 15 kilometres, then north on Southview Road for 10 kilometres to a stop sign which marks the junction with Branch 02 of the Theodosia 6423 Forest Service Road (FSR). Conventional vehicles are adequate to this point; steeper grades and loose gravel on the FSR roads are best negotiated by 4-wheel drive vehicles. Traveling west on the Branch 02 road for 6 kilometres leads to Branch 03 which extends north 3.3 kilometres to the southern part of the OK property.

The logging road network within the claims area had been largely deactivated by way of the excavation of water bars prior to the initiation of the 2005 drilling program. Portions of the road network were reactivated that year to allow access to a temporary camp and to various drilling sites in the vicinity of North Lake. Access to other parts of the property is restricted to all-terrain vehicles or short wheelbase four-wheel drive vehicles. Logging roads, which provide access to the northern claims area from Theodosia Inlet (Figure 2), are currently accessible only by barge. The current condition of these roads is unknown.

Powell River, a community of 18,000 offering most supplies and services, is 120 kilometres northwest of Vancouver and may be reached by highway and coastal ferry. Daily scheduled airline service from Vancouver is also available.

The OK property is situated in the Pacific Ranges of the southern Coast Mountains. Elevations within the property area range from sea level at Theodosia Inlet to a maximum of 1100 metres and average between 800 and 900 metres within an upland, plateau-like area which is prevalent throughout much of the central property area (Figure 2). The claims area is bordered on the east by the Bunster Hills which rise between 100 and 200 metres above the plateau surface. Relatively moderate slopes prevail between the upland surface and Okeover Inlet to the west while the northern claims area features steep slopes to Theodosia Inlet (Figure 2).

The climate is typical of the southwest coast of British Columbia with mild winters and an annual precipitation of about 110 centimetres. Temperatures between the months of June and September average between 18 and 24 degrees Celsius; mean January temperatures are slightly above freezing. Field work is best carried out between early spring and late fall.

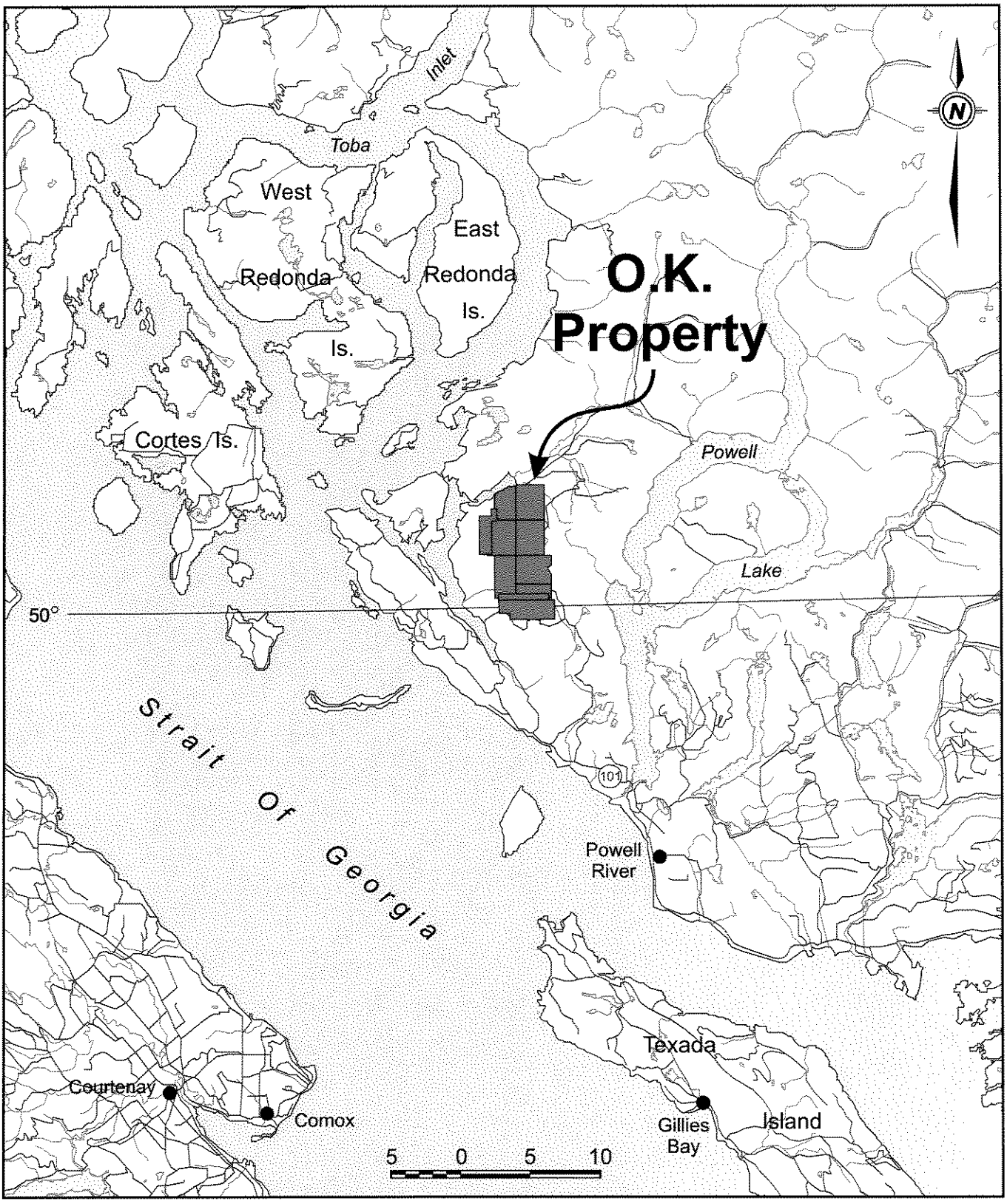

Figure 3: O. K. Property Location

HISTORY

Copper and molybdenum mineralization was discovered in creek bottoms in the central part of on the OK property by the current registered owner in 1965. Between 1966 and 1977, seven companies carried out a number of geological, geochemical and geophysical surveys, mechanical trenching and more than 14000 metres of drilling. Companies included Noranda Exploration Company Ltd., Asarco Exploration Company of Canada Limited, Falconbridge Nickel Mines Ltd., Duval International Corporation, Granite Mountain Mines Ltd., Sierra Empire and Western Mines Ltd. Details of some of the surface surveys completed during this period are contained in reports by Schuur and Irvine (1967), Wares (1970) and Band (1970).

Drilling completed between 1966 and 1977 consisted of 13831.5 metres of diamond drilling in 82 holes and 12 vertical percussion holes totaling 732 metres. Most of the diamond drill holes were inclined at -45^0 or less and five were vertical holes. Average hole length was 169 metres and the deepest hole drilled was 363 metres in length. Average vertical depth tested was between 120 and 140 metres below surface. Vertical percussion holes were drilled to 61 metres depths. Readily available reports pertaining to drilling include only those of Western Mines Ltd. in 1974 and 1977 (Randall, 1974, Osborne and Maron, 1978). Original drill logs and analytical results for core and cuttings samples from all holes drilled between 1966 and 1977 were digitized in the late 1980s and these data were acquired on behalf of Goldrush Resources Ltd. in late 2004.

Work on the property between 1979 and 1982, undertaken by Aquarius Resources Ltd., was mainly directed to a breccia zone with enhanced copper, molybdenum and silver values in the southern property area. Work included limited diamond drilling (3 holes totaling 205 metres), geological mapping, an Induced Polarization geophysical survey and soil geochemical surveys, road building and trenching (Ashton, 1980, 1981,1982; Cardinal, 1983).

CanQuest Resource Corporation acquired the rights to the property in the early 1990s and a reconnaissance geological mapping and sampling program was undertaken in the area of the southern breccia zone in 1994 (Reynolds,1994). A small grid (4.2 line kilometres) was established in 1995 to cover this area in the south-central part of the OK C mineral claim and an Induced Polarization survey was completed (Walcott,1995). An area of higher chargeability identified by this survey was tested by one short (154 metres) inclined diamond drill hole in 1996 (Williams,1996). Follow-up work in 1997 included mapping of bedrock exposed in newly constructed logging roads (Williams,1997). An expanded program in 1998 consisted of geological mapping and bedrock chip sampling in other areas of the property plus limited soil geochemical sampling and orientation magnetometer, VLF-EM and Self Potential geophysical surveys in selected areas (Williams,1998).

A geological mapping, prospecting and bedrock sampling program on the OK property was undertaken by Mincord Exploration Consultants Ltd. on behalf of Lumina Copper Corp. in October of 2003. This work, which was mainly directed to bedrock exposures along logging roads in the central southern property area, included geological mapping at 1:5000 scale, petrographic studies and the collection and subsequent analyses of 81 rock samples. Total costs of this program were $31,509.00 (Page, 2004).

An airborne geophysical survey over a large part of the property was completed between July 12 and 15, 2004 by Fugro Airborne Surveys Corp. (Smith, 2004) on behalf of Goldrush Resources Ltd. This survey, conducted by helicopter, involved the collection of electromagnetic, resistivity and magnetic data. Program costs were in the order of $82,000

(Carter, 2005a). Goldrush also funded a six hole, 975 metres diamond drilling program in 2005 (Johnston, 2005; Morton, 2005) which incurred costs of approximately $175,000.

Surface work on the OK property in May and June of 2006 was funded by Prophecy Resources Ltd. Work included the collection and analyses of several hundred soil samples from two grid areas and road, drill pad and trail construction in the North Lake area using a large excavator (Laird, 2006). More precise locations of a number of old roads throughout the property area were determined by a global positioning system device. Total program costs were in the order of $102,000.

GEOLOGICAL SETTING

Regional Setting

The OK property is situated in the western part of the Coast Plutonic Complex which is coincident with the Coast tectonic belt extending along the western margin of mainland British Columbia. The complex consists mainly of a series of granitic plutons which intrude volcanic and sedimentary rocks along its eastern margin. Numerous pendants of metavolcanic and metasedimentary rocks plus orthogneisses are present within the granitic rocks which range in age from Jurassic to Tertiary.

The regional setting of the OK property is somewhat unique inasmuch as most of the known porphyry copper-molybdenum deposits in the Canadian Cordillera are situated in the Intermontane Superterrane east of the Coast Plutonic Complex and to a lesser degree in the Insular Superterrane to the west. Notable exceptions are some porphyry molybdenum deposits in British Columbia and the Alaskan panhandle which are related to younger granitic intrusions within the Coast Plutonic Complex (Carter,1978). Examples include the large Quartz Hill molybdenum deposit east of Ketchikan in southeastern Alaska and the Salal Creek and Gem porphyry molybdenum prospects in southwestern British Columbia. The Don porphyry copper-molybdenum prospect, north of Jervis Inlet some 40 kilometres east of the OK property, is a relatively recent discovery (early 1980s) of porphyry mineralization within Coast granitic terrane.

Some previous investigators (Froc and Francois-Bongarcon, 1989; Williams, 1998) have remarked on the position of the OK intrusive complex between two apparent subcircular structures including East Redonda Island to the north and Powell Lake to the east (Figure 3). These features may represent collapsed caldera structures.

Granitic rocks of the Coast Plutonic Complex in the immediate area of the OK property include granodiorites, quartz diorites and more basic diorites and gabbros. Screens or pendants of intermediate to basic volcanic rocks have been reported. Radiometric ages of similar granitic rocks in southwestern British Columbia range from early to mid Cretaceous (120 – 90 Ga - Roddick et al, 1979).

Property Geology

The generalized geological setting of the OK property is illustrated on Figure 4. In the central part of the property, older Coast Plutonic Complex granitic rocks have been intruded by the OK intrusive complex which is elongate in a northerly direction and measures 3.6 x 2.3 kilometres. The age of this complex is not known but it is reasonable to assume a late Cretaceous to mid-Tertiary age (75 – 35 Ga), similar to other mineralized granitic intrusions on Vancouver Island (Catface, Mt. Washington) and elsewhere in the

southwestern British Columbia mainland (Gem, Salal Creek).

The principal geological features of the OK intrusive complex are shown on Figure 4 (after Meyer et al,1976) and in more detail within the original grid area (Figure 5 – after Froc and Fancois-Bongarcon,1989). Location of the grid area relative to the property boundary is shown on Figure 3; note that the grid was established using Imperial units of measurement with east-northeast cross lines spaced at 400 ft. (122 metres) intervals off a North 25^0 West baseline.

Contacts between the intrusive complex and older Coast granitic rocks have been observed along the northern and eastern margins of the complex (Figure 5) where some development of gneisses in the older rocks has been reported (Meyer et al,1976). Williams (1998) refers to the granitic rocks of the complex displacing older Coast diorites and gabbros.

The OK intrusive complex features multiple intrusive events, a characteristic of many porphyry deposits. At least six intrusive phases were noted by the writer during a brief examination of the southern property area in 1984. The two principal intrusive phases, shown on Figures 4 and 5, include an earlier, variably altered, fine- to medium-grained, equigranular granodiorite which is intruded by a large, northerly-trending, dyke-like body of quartz-feldspar porphyry featuring crowded feldspar phenocrysts and scattered 1 centimetre-size, rounded quartz "eyes".

The previously reported granodiorite composition for much of the OK intrusive complex may be incorrect. An adjunct of the 2003 geological mapping program involved diamond sawing of a number of rock samples for sodium cobaltinitrate staining to determine the potassium feldspar content (Page, 2004). This work suggests that the dominant intrusive phase of the OK intrusive complex is of quartz diorite composition rather than granodiorite. A leucocratic quartz diorite phase is prevalent in the central claims area and the younger quartz-feldspar porphyry also appears to be of quartz diorite composition. These observations are supported by a petrographic study of seven thin sections by Vancouver Petrographics Ltd. (Page, 2004).

The foregoing conclusions regarding the composition of the principal intrusive phase was confirmed during the examination of drill cores recovered from the North Lake mineral zone in 2005. A leucocratic quartz diorite was the principal host rock for copper and molybdenum mineralization while relatively massive, weakly mineralized, crowded quartz feldspar porphyry represented a later intrusive phase.

Younger, definitely post-mineral intrusive phases include narrow, aphanitic and porphyritic mafic dykes (Page, 2004) and hornblende diorites, termed diabase by Williams (1998). These occur as steeply-dipping, north-northeast and north-northwest-trending dykes of up to 3 metres or more in width. Previous drilling suggested that these dykes occurred as swarms within a 1 kilometre-wide, north-northeast-trending zone in the central property area (Figure 4). Discontinuous, fine-grained "andesite" dykes of variable orientation, and locally referred to as lamprophyre by Williams (1998), apparently represent the youngest intrusive phase.

Drilling in 2005 identified at least two distinct post-minerals dyke phases and confirmed the vertical to subvertical nature of most of these dykes. Precise strike orientations remain to be determined but in the central property area they may be trending both north-northwest and roughly east-west.

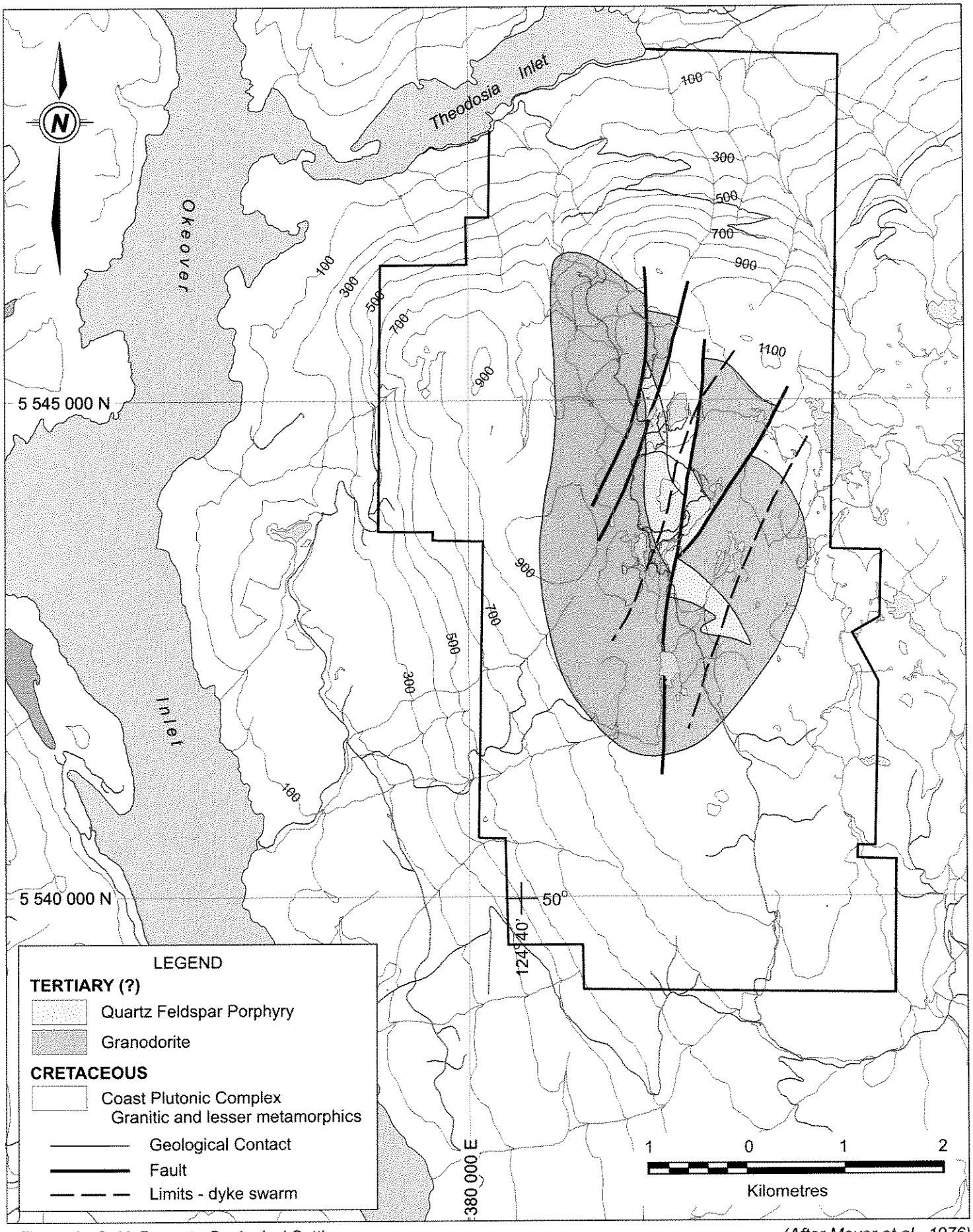

Figure 4: O. K. Property Geological Setting

(After Meyer et al., 1976)

Of interest is an intermineral intrusive breccia first recognized in the southern grid area in 1979 (hydrothermal breccia on Figure 5). The geometry of this breccia zone is not well defined although trenching and limited drilling has suggested a north-northwest trend for the zone with widths of between 10 and 30 metres and an indicated strike length of at least 100 metres. This zone, examined by the writer in 1984 and again in 2004, has characteristics of intrusive breccias typical of most porphyry deposits. Rounded to subangular, closely-spaced, several centimeter clasts of varying lithology are contained in a fine-grained chloritic matrix containing a good percentage of sulphide minerals. Geological investigations in 2003 showed the breccia zone as being central to a northwest-trending, 600 x 300 metres, structurally complex fracture zone (Page, 2004).

Other breccia zones, previously identified elsewhere within the complex, have in part been identified as tectonic breccias by both Reynolds (1994) and Williams (1998) but some apparent intrusive breccias were identified in 2005 drill cores.

North-northeast striking faults cut and offset both Coast granitic rocks and the intrusive complex (Figures 4 and 5). These are thought to post-date mineralization and possibly provided conduits for the some of the post-mineral dyke swarms.

ALTERATION AND MINERALIZATION

Propylitic alteration, present in all phases of the OK intrusive complex, is locally overprinted by potassic, phyllic and argillic alteration facies (Page, 2004).

Mapping of alteration, undertaken in the southern half of the property (Cardinal,1983), indicated moderate to strong sericite and kaolinite (phyllic-argillic) alteration centred on the breccia zone and in an area south of the Claim Lake zone (Figure 6).

Elsewhere within the property there is limited evidence of an inner potassic alteration zone developed in quartz diorite (previously referred to as granodiorite) which grades outward to through phyllic, argillic and propylitic alteration zones typical of porphyry systems. Meyer et al (1976) describe strong quartz-sericite alteration of the central quartz-feldspar porphyry dyke which grades outward to predominantly chlorite-epidote alteration in the bordering quartz "granodiorite".

At least two stages of quartz veining and quartz stockwork development are evident within the OK intrusive complex. Attendant sulphide mineralization consists of pyrite, chalcopyrite and molybdenite with lesser bornite, sphalerite and magnetite occurring in narrow quartz-filled fractures and quartz veinlet stockworks which have a predominant east to northeast trend. Molybdenite occurs as selvages along the margins of quartz veinlets and also coats dry fractures.

Younger quartz veinlet stockworks are best developed in the central, later phase quartz-feldspar porphyry dyke but it is significant that these contain little or no sulphide mineralization. The older, leucocratic quartz diorite ("granodiorite") phase marginal to the quartz-feldspar porphyry hosts the best copper and lesser molybdenum mineralization suggesting that the later intrusive phase may have been the mineralizing unit. The most widespread copper (+molybdenum) mineralization is best developed along the eastern flank of the quartz-feldspar porphyry dyke. Some smaller mineralized zones also occur along the west flank of the dyke; this may be an expression of lesser drill-testing of this area.

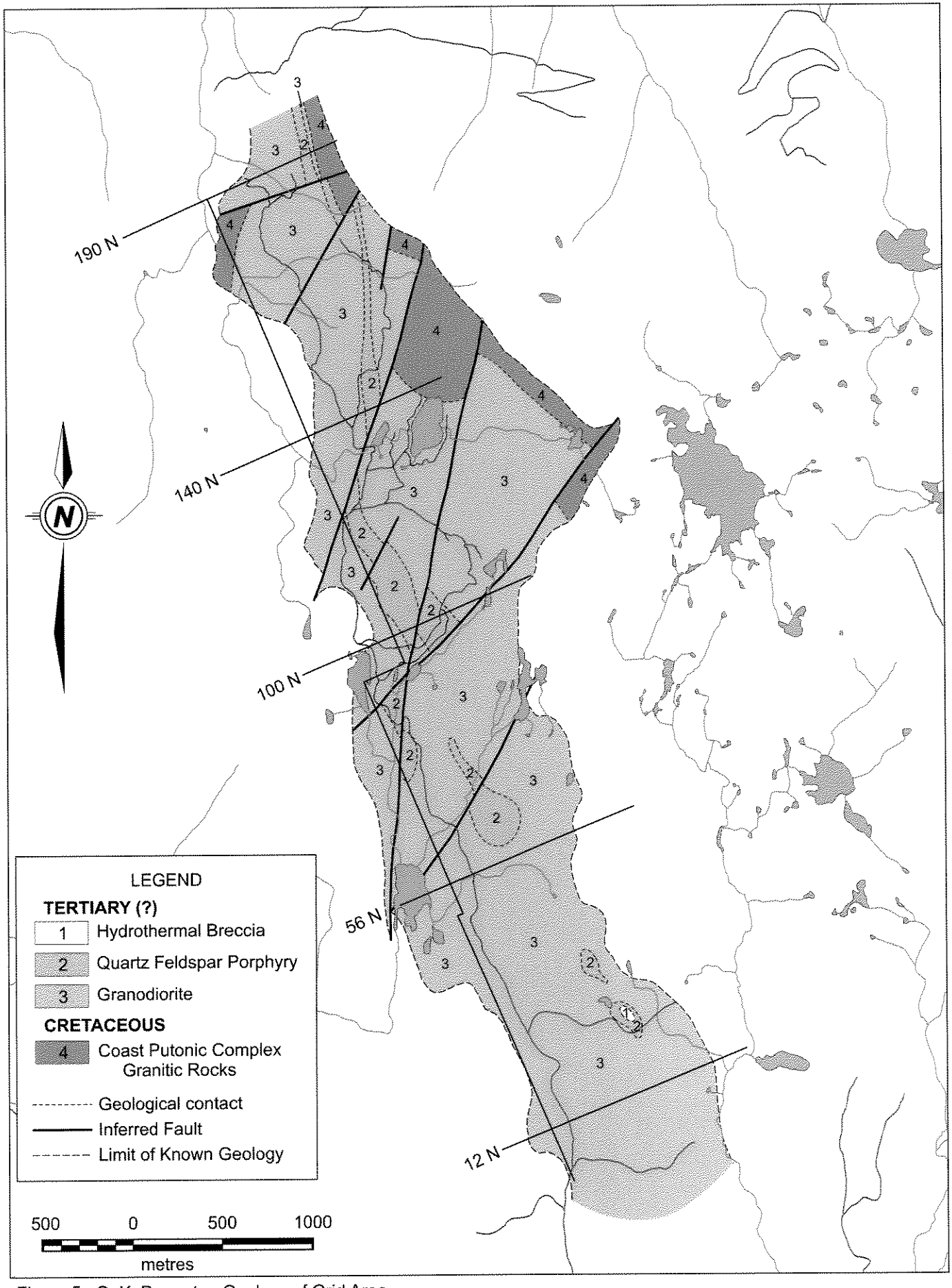

Figure 5: O. K. Property - Geology of Grid Area

Examination of 2005 drill cores confirmed many of the earlier observations. Hole 05-02, completed in the southern part of the North Lake zone, intersected broad intervals of partly silicified, leucocratic quartz diorite containing chalcopyrite and molybdenite in silicified areas and coating fractures. Upper portions of this hole featured hairline chlorite-filled fractures with pyrite. Secondary K-feldspar was seen to rim some fractures and minor sericite was observed in some fractures.

Minor pyrite occurs with chalcopyrite and molybdenite but is most widespread in peripheral zones as a typical pyrite halo.

Eight copper-molybdenum zones have been explored by previous drilling over a northerly trend of 5 kilometres (Figure 10). Most of these mineralized zones contain apparent large volumes of low copper (0.10-0.20%) and molybdenum values (see subsequent sections dealing with drilling and mineral resource estimates).

The breccia zone in the southern grid area has demonstrably higher copper grades plus some silver values. Fine- to coarse-grained chalcopyrite, bornite, pyrite and lesser molybdenite occur interstitially between breccia fragments. A chip sample collected from a trench across a 12 metres width within this zone returned values of 2.4% copper and 0.52% MoS_2 (molybdenum disulphide = molybdenite) and a parallel chip sample 12 metres away in less altered material averaged 0.43% copper and 0.08% MoS_2 over a sample length of 6 metres (Cardinal, 1983).

This zone was briefly examined by the writer during a visit to the property on September 8, 2004. The breccia was seen to contain subangular 2 to 4 centimetre clasts in a siliceous matrix containing up to several percent chalcopyrite and pyrite. Country rocks in the vicinity of the breccia zone consist of argillically altered, bleached and iron stained granitic rocks which are cut by distinctly younger (post-mineral), north-trending, dark grey, feldspar porphyry dykes ranging in width from a few metres to more than 10 metres.

EXPLORATION

This section includes a brief discussion of the results of geochemical and geophysical surveys completed within the boundaries of the current OK property over the past 35 years plus details of a 2004 airborne geophysical survey. Discussions of the 2005 drilling program and the 2006 surface program are contained in subsequent sections of this report. More complete details pertaining to the historic programs are contained in the writer's 2004 reports (Carter, 2004a and b).

A number of geochemical surveys were reportedly undertaken on the property in the 1960s and 1970s. Records are available for a stream sediment sampling program carried out by Falconbridge Nickel Mines Ltd. in 1969 (Band, 1970). This work involved the collection of stream sediments from drainages emanating from the numerous small lakes in the central property area (Figure 6 – this diagram also shows locations of 2006 soil sampling grids). Anomalous copper values were determined as being between 51 and 100 parts per million (ppm); highly anomalous values were those greater than 100 ppm. Anomalous molybdenum values were those between 20 and 40 ppm; values greater than 40 ppm were regarded as highly anomalous.

Highly anomalous copper values (several hundred to 4730 ppm) were most widespread in drainages within and north of the North Lake Zone (see Figure 10 for locations of the various mineralized zones). Coincident with these were anomalous

molybdenum values of less than 40 ppm. A second area of highly anomalous copper (>200 ppm) and molybdenum (55 – 140 ppm) vaues was identified between the Lizard Lake and Claim Lake Zones

Soil sampling by Aquarius Resources Ltd. in 1981 and 1982 (Ashton, 1980; Cardinal, 1983) was carried out over the entire grid area (Figure 6) and involved the collection of samples from B horizon material at 30 metres intervals along 61 metres spaced lines. The 4300 samples collected were subjected to nitric-perchloric acid digestion and analyzed for copper, molybdenum and silver by atomic absorption at the facilities of Min-En Laboratories Ltd. Low values were obtained for 685 of the soil samples analyzed for gold with the highest value being 30 parts per billion (ppb).

A statistical analysis of the analytical results was undertaken in 1982 and further refined by Froc and Francois-Bongarcon in 1989. Anomalous values were considered to be >260 ppm copper, >27 ppm molybdenum and >1.32 ppm silver. Highest copper and silver values (20000 ppm and 8.7 ppm respectively) were obtained from one sample north of the Theodosia Zone and the highest molybdenum value (540 ppm) was found in one sample from the same general area.

All of the known mineralized zones are reflected by broad, anomalous copper in soil signatures with coincident, but more restricted, molybdenum and silver anomalies. A number of additional soil anomalies are present in the northern and southern parts of the grid and a few discrete areas with anomalous silver values appear to correspond to the Breccia Zone in the southern grid area.

Geophysical methods employed on the property between the late 1960s and early 1980s have included magnetometer, VLF-EM and Self-Potential surveys which apparently were of limited value (Meyer et al, 1976). Most useful were Induced Polarization (IP) surveys which in general reflected the distribution of sulphide minerals.

An IP survey completed in the southern grid area by Aquarius Resources Ltd. in 1982 (Cardinal, 1983) indicated higher chargeability and resistivity values coincident with moderate to strong alteration zones centred on the Breccia Zone. A limited, but more detailed IP survey centred on the Breccia Zone in 1995 identified zones of higher chargeabilities immediately east and west (Walcott, 1995).

Orientation geophysics in 1998 included magnetometer, VLF-EM and Self Potential surveys in selected areas of the property (Williams, 1998). Subdued magnetic response was noted over areas of more intense alteration; the other survey methods did not prove to be particularly useful.

A 2003 sampling program (Page, 2004) consisted of the collection and analyses of 81 grab samples from bedrock exposed along logging roads between the Breccia Zone in the southern property area and a point north of the North Lake Zone (see Figure 10 for zone locations).

Gold and silver contents determined on these samples were generally low, averaging 6 parts per billion (ppb) and 0.77 parts per million (ppm) respectively. Anomalous gold (>10 ppb) and silver (>1 ppm) were obtained from 14% of the samples collected which were mainly from the Breccia Zone and to a lesser extent, the Claim Lake Zone. Highest values obtained included 84.8 ppb gold and 14.6 ppm silver.

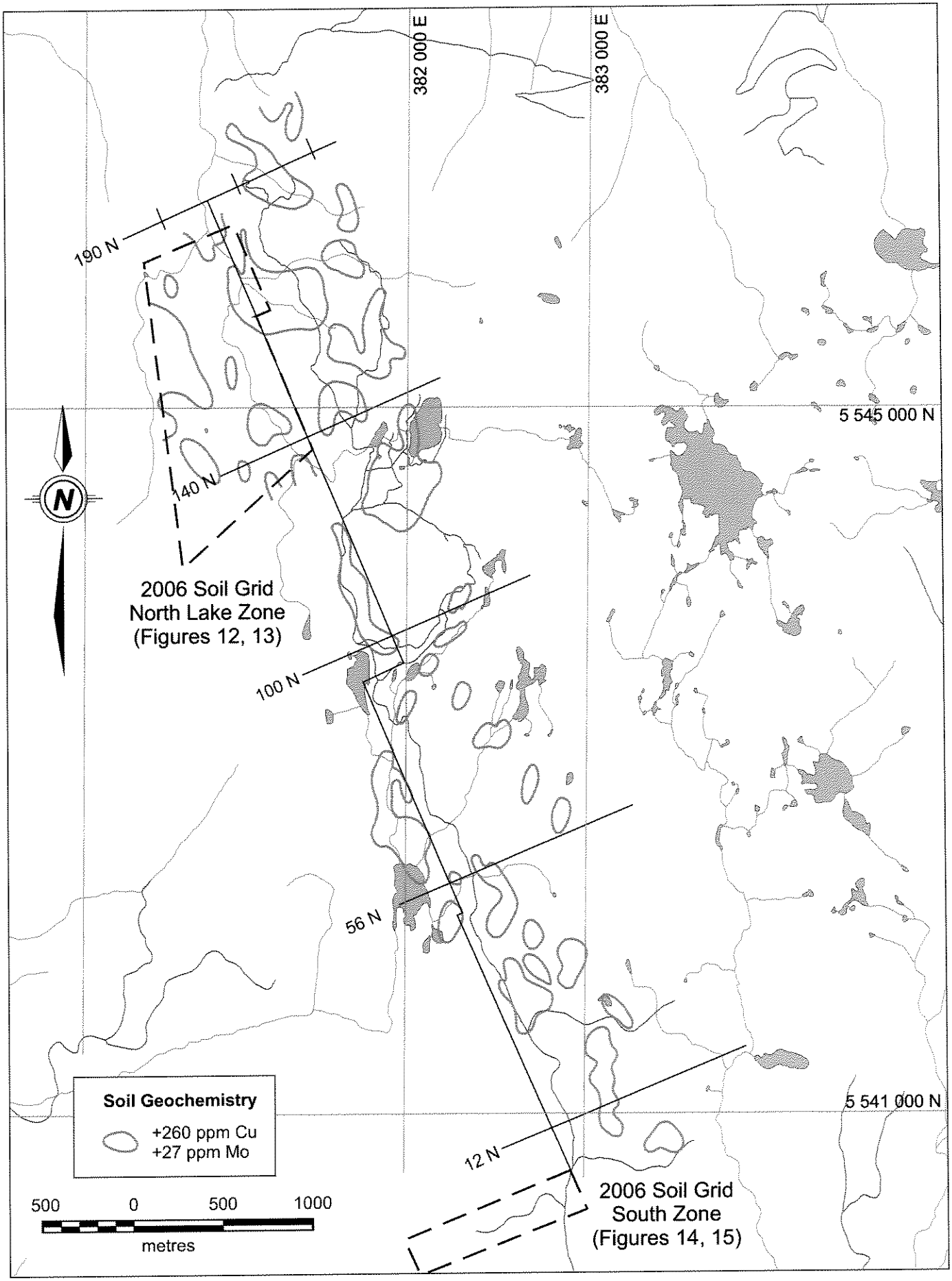

Figure 6 - OK Property - Soil Geochemistry

Anomalous copper values (>1000 ppm) were obtained from 31% or 25 of the 81 samples collected. The majority of these were samples collected from the OK C mineral claim, specifically in the area of the Breccia Zone where the highest value was 20683 ppm copper. Eleven samples collected along a 275 metres stretch of logging road in the eastern part of the Claim Lake Zone averaged 1881 ppm copper.

Molybdenum values were generally low, averaging 38 ppm. Only 6% of the samples collected contained values in excess of 100 ppm molybdenum; these included two samples from the Breccia Zone and four from the Claim Lake Zone.

An airborne geophysical survey over a large part of the OK property (Figure 7) was completed between July 12 and 15, 2004 by Fugro Airborne Surveys Corp. The 337 line-kilometres survey consisted of 76 survey lines at 100 metres spacings, oriented 062^0 - 242^0 , and two tie lines at the eastern and western limits of the survey area. The electromagnetic/resistivity/magnetic survey utilized a DIGHEM$^{V\text{-}DSP}$ multi-coil, multi-frequency electromagnetic system and a high sensitivity Scintrex CS-2 cesium magnetometer to measure the magnetic and conductive properties of the survey area. These systems were housed in a "bird" connected to an Aerospatiale AS350B3 turbine helicopter. Digital data recording devices plus a Global Positioning System navigation device, radar and barometric altimeters and a video camera were mounted within the helicopter. A magnetometer base station, to record diurnal variations of the earth's magnetic field, and a differential Global Positioning System were maintained at the Powell River airport for the duration of the survey.

Mean terrain clearance of the survey equipment averaged 30 metres except in areas of steep topography near the northern and western limits of the survey area. The electromagnetic component of the survey included the measurement of 5 frequencies and the recording of 5 in-phase channels, 5 quadrature channels and two monitor channels. The cesium magnetometer had a sensitivity of 0.01 nT (nanoteslas). Apparent resistivities, in ohm-metres, were derived from in-phase and quadrature electromagnetic components for five frequencies. Final products delivered to Goldrush Resources Ltd. included maps showing electromagnetic anomalies, total magnetic field, calculated vertical magnetic gradients and apparent resistivities at frequencies of 7200 and 56000 Hz. These maps were included in two of the writer's earlier reports (Carter, 2004b, 2005a).

A central area of lower magnetic response on the total magnetic field maps is crudely coincident with the known limits of the OK stock in the central claims area. The total magnetic field also reflects the faulted northern contacts of the stock and the slightly higher magnetic response of the central quartz-feldspar porphyry phase. These features are not as evident on the calculated vertical magnetic gradient maps which show a number of discrete magnetic highs within the broad area of lower magnetic response. The enclosing, slightly older, Coast granitic rocks display significantly higher magnetic susceptibilities and the data suggest that the OK stock may continue south of the currently mapped limits.

All but three of the 101 electromagnetic anomalies of indeterminate conductance range are interpreted (Smith, 2004) as being caused by conductive overburden and/or lake bottom sediments. Most of these appear to be flat-lying which lends a high degree of credence to this interpretation.

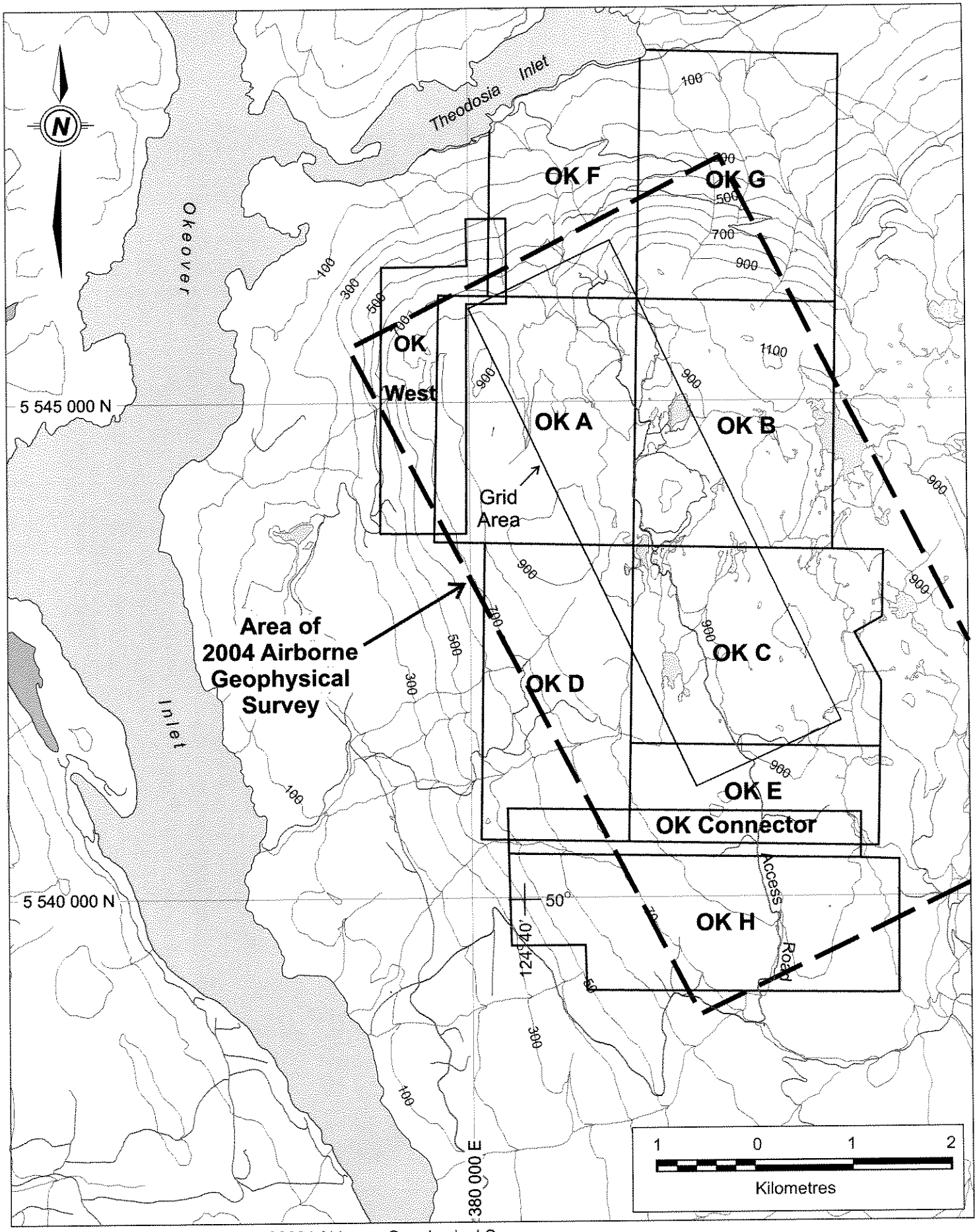

Figure 7: O. K. Property - Limits of 2004 Airborne Geophysical Survey

Three of the electromagnetic anomalies are thought to be due to bedrock conductors caused by faults or sulphide minerals. Two of these, which occur on adjacent flight lines beneath the small lake ("North Lake" – western part of OK B mineral claim) marginal to the North Lake mineral zone may be reflecting a fault zone. A third, possible bedrock source conductor is beneath a small lake in the northeast part of the OK-E claim 900 metres east of the Breccia Zone.

An additional dozen conductors identified within the survey area may be of possible bedrock source perhaps partially masked by conductive overburden. Most of these are single point, isolated anomalies scattered throughout the survey area with the exception of four which are within a 500 x 200 metres area centred on the large lake at the eastern boundary of the OK-B claim. These may well be due to the presence of conductive lake bottom sediments.

Of particular interest are five areas on the apparent resistivity maps at 7200 Hz frequency (Figures 8 and 9). These five areas feature anomalously low resistivities of 4000 ohm-metres or less (mauve colour on maps). While four of these are associated with lakes and may in part be reflecting lake bottom sediments, all are accompanied by magnetic highs and are worthy of further investigation. Notable among these is the subcircular , 700 x 500 metres, moderately strong resistivity low which includes North Lake in the western part of the OK-B claim and is crudely coincident with the known limits of the North Lake Zone. As noted previously, two definite bedrock source conductors are on adjacent flight lines under the lake.

A second anomalous area, described as "an attractive resistivity low", and coincident with a linear magnetic high, is centred on Claim Lake near the western boundary of the OK-C claim. It is worthy of note that this resistivity low is immediately south of some of the better copper values obtained from previous drilling of the Claim Lake zone.

Two other areas warranting follow-up include a coincident resistivity low and magnetic high centred on a small lake near the eastern boundary of the OK-C claim (Figure 14) and an oval resistivity low plus coincident magnetic high and bedrock source electromagnetic conductor beneath the small lake in the eastern part of the OK-E claim.

The 2006 soil grid "the Northwest Grid" was established in an area deemed to have comparable magnetic and apparent resistivity responses to the North Lake Zone, namely a relatively low magnetic response near a change to higher magnetic values with a corresponding low calculated resistivity response.

Broader resistivity lows shown on the 7200 Hz frequency maps are crudely coincident with the OK granitic stock, and in particular, the central quartz-feldspar porphyry phase.

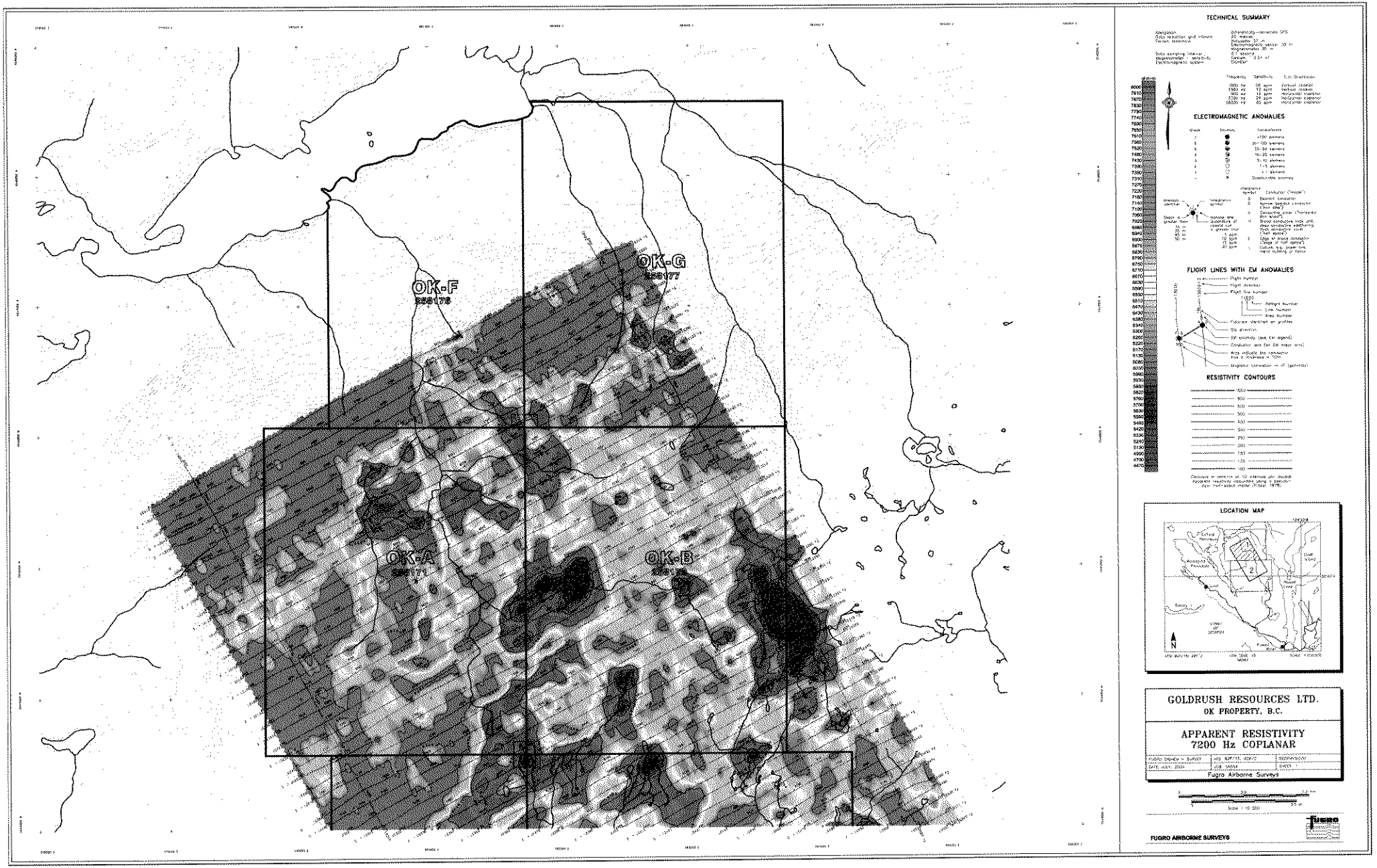

Figure 8 - OK Property Apparent Resistivity - North Half

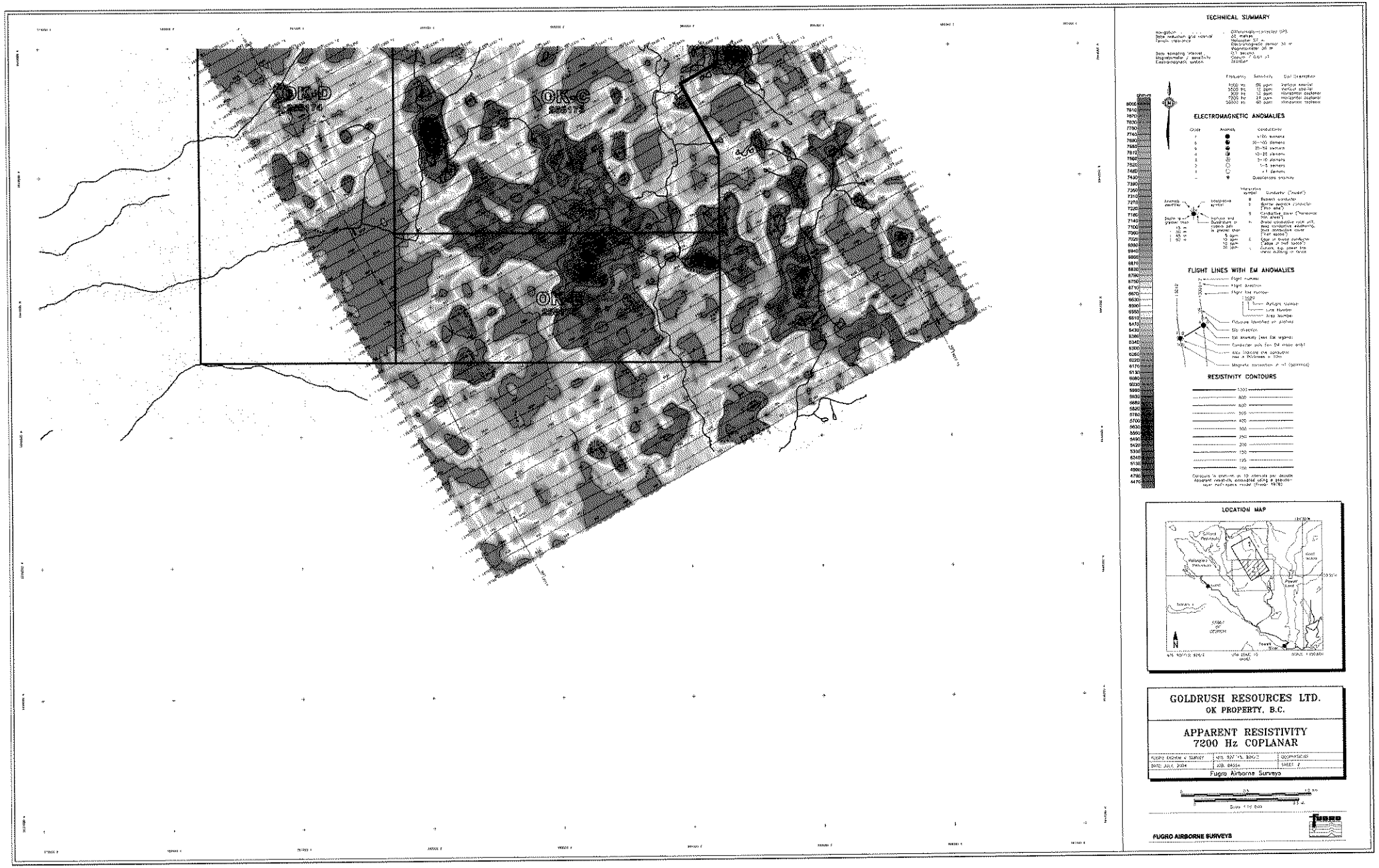

Figure 9 - OK Property Apparent Resistivity - South Half

DRILLING

The OK property was tested by 14563.5 metres of drilling between 1966 and 1996. This total includes 82 diamond drill holes (13831.5 metres) of which all but five were inclined holes drilled at inclinations of between -37^0 and -45^0 along grid azimuths of 065^0 and 245^0. The remaining five holes were vertical.

About 40% of the diamond drilling recovered NQ-size (4.76 centimetres diameter) core; the remainder was evenly divided between AQ (2.70 centimetres diameter) and BQ (3.64 centimetres diameter) core. The AX core recovered by standard drilling by CanQuest Resource Corporation in 1996 would be roughly the same diameter as BQ core. Core recoveries were reported as being plus 90%.

Diamond drill holes ranged in depth from 63 to 363 metres and averaged 169 metres or a vertical depth of 120 metres below surface. Drilling in 1971 consisted of twelve vertical percussion holes, each drilled to a depth of 61 metres for a total of 732.0 metres.

Virtually all of the diamond drill core recovered was split and samples were collected from contiguous 10 ft. (3 metres) or less intervals throughout most of the individual hole lengths. Most of the boxed, split drill core from the various drilling programs between 1966 and 1977 had been destroyed prior to the writer's initial property examination in 1984. Drill core from the 1979 program was apparently vandalized by the mid-1990s (Williams, 1996) and the location of the 1996 drill core is currently unknown.

Drill hole locations were reported relative to the original grid which was established in Imperial units. Hole azimuths, inclinations and available collar elevations are listed in Appendix I of the writer's earlier reports; these were derived from several sources including Froc and Francois-Bongarcon (1989). Hard copies of original drilling results, including lithologic logs and analytical results, are only available for 25 holes completed by Western Mines Ltd. in 1974 and 1977 (Randall, 1974; Osborne and Maron, 1978), for three holes drilled by Aquarius Resources Ltd. in 1979 (Ashton, 1980) and for one hole drilled by CanQuest Resource Corporation in 1996 (Williams, 1996). Note that two-thirds of the total drilling on the property was completed prior to 1974 when it became mandatory to file technical reports in order to obtain assessment work credits for drilling programs in British Columbia.

Analytical data, with some information pertaining to lithologies, were available for 37 of the 65 holes drilled between 1966 and 1973 by way of 15 drill sections in the writer's possession. These computer-generated sections, which are of varying legibility and show individual sample results for copper and MoS_2 molybdenum disulphide), were prepared at a scale of 1:1440 by Froc and Francois-Bongarcon (1989) who apparently used digitized data for all of the drill holes completed through 1979.

This limited information for 66 of the 94 holes drilled on the OK property was available to the writer when preparing the 2004 technical reports. Details of drill hole sampling indicated that samples of split core were collected from contiguous 10 ft. (3 metres) or less intervals throughout most of the individual drill hole lengths. Using a 0.20% copper cutoff grade, 46 of the holes for which data were available contained one or more 5.7 to 143.2 metres intervals grading 0.20% to 0.51% copper. An exception was hole 79-02, drilled to test the Breccia Zone, which included a 9.4 metres interval grading 1.49% copper.

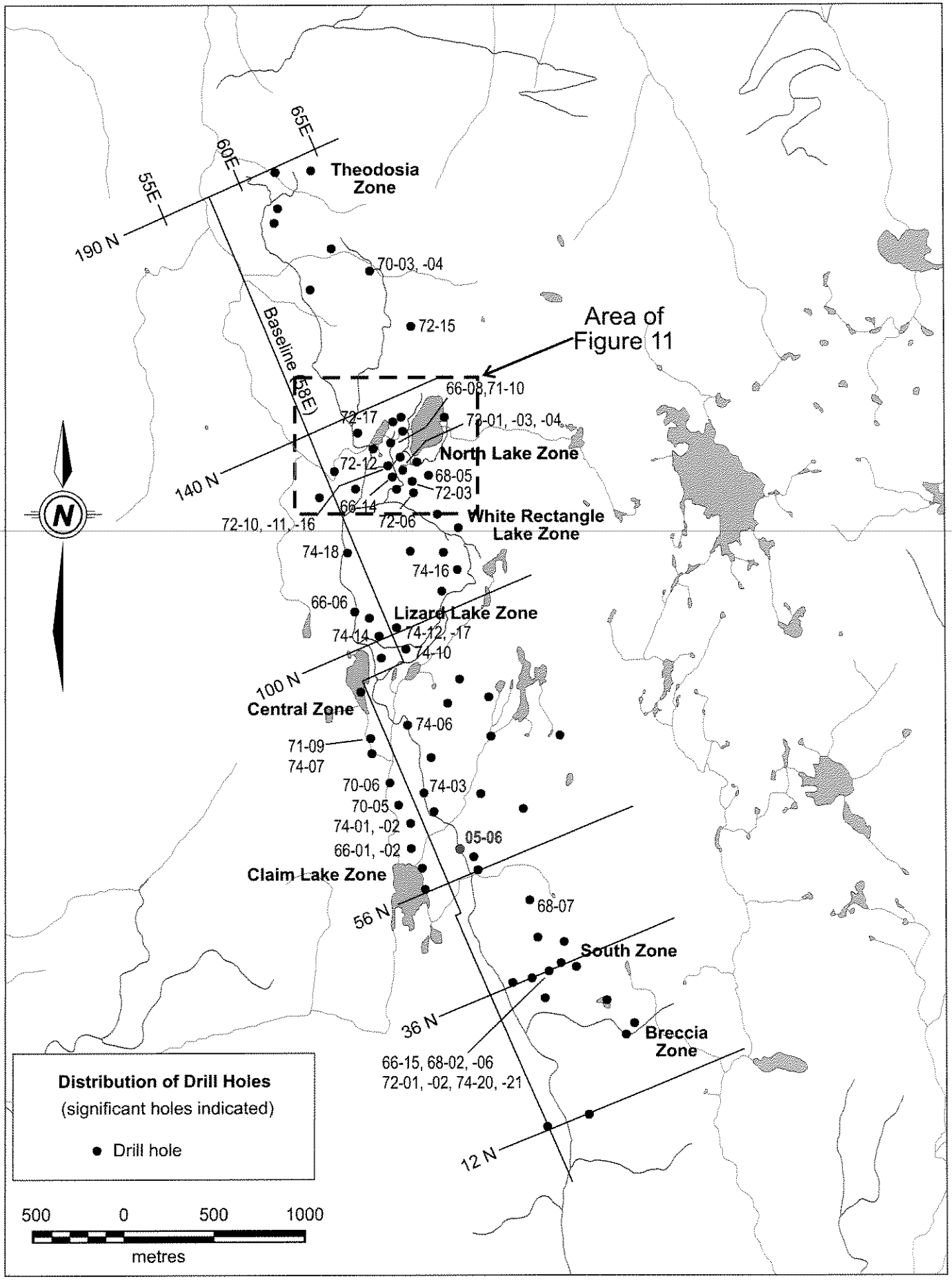

Figure 10: O. K. Property - Distribution of Drill Holes

A complete listing of these holes, which included the writer's calculated weighted average grades for both copper and molybdenum disulphide (MoS_2) over various hole intervals, is contained in Appendix II of the 2004 reports (Carter, 2004a and 2005b).

The distribution of previous drilling is illustrated on Figure 10 which also identifies most of the more significant drill holes. As indicated on Figure 6, all of the eight known mineralized zones in the property area have been tested by drilling. Highest copper grades noted for individual sample intervals include 1.07% over 4 metres in hole 74-21 in the South Zone and 1.80% over 1.1 metre in hole 74-03 drilled in the Central Zone. These values are unusual; copper grades for individual samples within those drill hole intervals above a 0.20% copper cutoff grade are remarkably consistent and generally range from 0.20% to 0.30% with occasional values of plus 0.40%. Values of greater than 0.50% are rare. MoS_2 (molybdenum disulphide) grades are more variable, ranging from nil or trace to 0.20% and averaging 0.015%.

A geostatistical study of drilling results by Diehl (1982) also confirmed a low variability or zero nugget effect for copper values which have an apparent better continuity in a vertical direction, probably confirming the subvertical nature of the quartz veinlets containing copper and molybdenum values.

The consistency of copper (and MoS_2) grades is broken only by hole intervals occupied by post-mineral, essentially barren dykes.

The North Lake Zone exhibits enhanced copper grades relative to the other known zones on the OK property.

A digital database containing summary lithologic drill logs plus original sample results for diamond drill cores and percussion drill cuttings for most of the drill holes completed on the OK property between 1966 and 1979 was obtained by Eastfield Resources in late 2004. These data made possible a preliminary estimate of mineral resources for the North Lake Zone (Carter, 2005b) which is referred to in more detail and expanded upon in a subsequent section of this report.

Acquisition of this database confirmed earlier assessments that enhanced, and more consistent copper and molybdenum grades were present in the North Lake Zone. A diamond drilling program was undertaken in mid 2005 with the principal objectives of confirming previously identified average grades and possibly expanding mineral, resource estimates reported a few months earlier (Carter, 2005b).

975 metres of diamond drilling in six inclined holes was completed on behalf of Goldrush Resources by Phil's Diamond Drilling in July and August of 2005 (Johnston, 2005; Morton, 2005). Five holes were drilled in the North Lake Zone and a sixth hole was drilled two kilometres south in the Claim Lake area. Locations of holes completed in the North Lake Zone are shown on Figure 11 and details of hole locations, etc. are as follows:

Hole No.	Easting	Northing	Elevation(masl)	Azimuth (°)	Dip(°)	Depth(m)
05-01	382142	5544353	940	245	-45	200.6
05-02	382062	5544437	930	245	-45	203.6
05-03	382163	5544507	910	245	-45	206.7
05-04	381854	5544576	907	245	-45	53.3
05-05	382142	5544700	883	245	-45	210.9
05-06	382303	5542532	880	150	-45	99.9
						975.0

NQ- size core was recovered and recoveries were reportedly good in most holes except in highly fractured section. All drill core is stored on the property near the North Lake Zone. Significant mineralized intervals for all holes are listed in Appendix I.

The first hole drilled (05-01) was designed to test the potential extension of the North Lake Zone south of previous drilling. Almost half of the core recovered from this hole was post-mineral dyke material such that only four relatively narrow (true widths of between 6 and 16 metres) of leucocratic quartz diorite containing copper grades in excess of 0.20%.

Holes 05-02 and -03 were collared southwest and northeast of hole 72-06 on section 122+50N. This hole had returned several +20 metres intervals grading in the order of 0.30% copper.

Hole 05-02 contained two mineralized intervals with copper grades of 0.20% and higher separated by a 25 metres wide post-mineral basic dyke (Figure 16). These better grades are more or less evenly distributed between quartz diorite and more leucocratic phases in which molybdenite (MoS_2) grades are marginally higher. Hole 05-03 encountered a broad (185 metres) mineralized interval hosted by quartz diorite and cut by only a few narrow post-mineral dykes.

Drill hole 04-04 was drilled on section 128+00N (Figure 11) intersected mainly post-mineral dyke and was terminated at a hole depth of 53 metres (Johnston, 2005). Hole 05-01, collared on section 126+00N (Figure 11) near the known eastern limits of the North Lake Zone, intersected numerous post-mineral dykes in the upper part of the hole such that any appreciable copper and molybdenite grades were confined to the lower part of the hole, but even here, the presence of dykes had an effect of lowering the overall average grades.

The final hole in the 2005 program, hole 05-06, was drilled in the Claim Lake Zone some 2 kilometres south of the North Lake Zone (Figure 10). This hole, which was intended to test mineralization noted on the main road in this area, was oriented on a southeasterly azimuth to intersect at depth numerous east-west quartz veins exposed along the road. The entire hole was in leucocratic quartz diorite and while mineralization was consistent throughout the hole both copper and molybdenum values were lower than those encountered at the North Lake Zone.

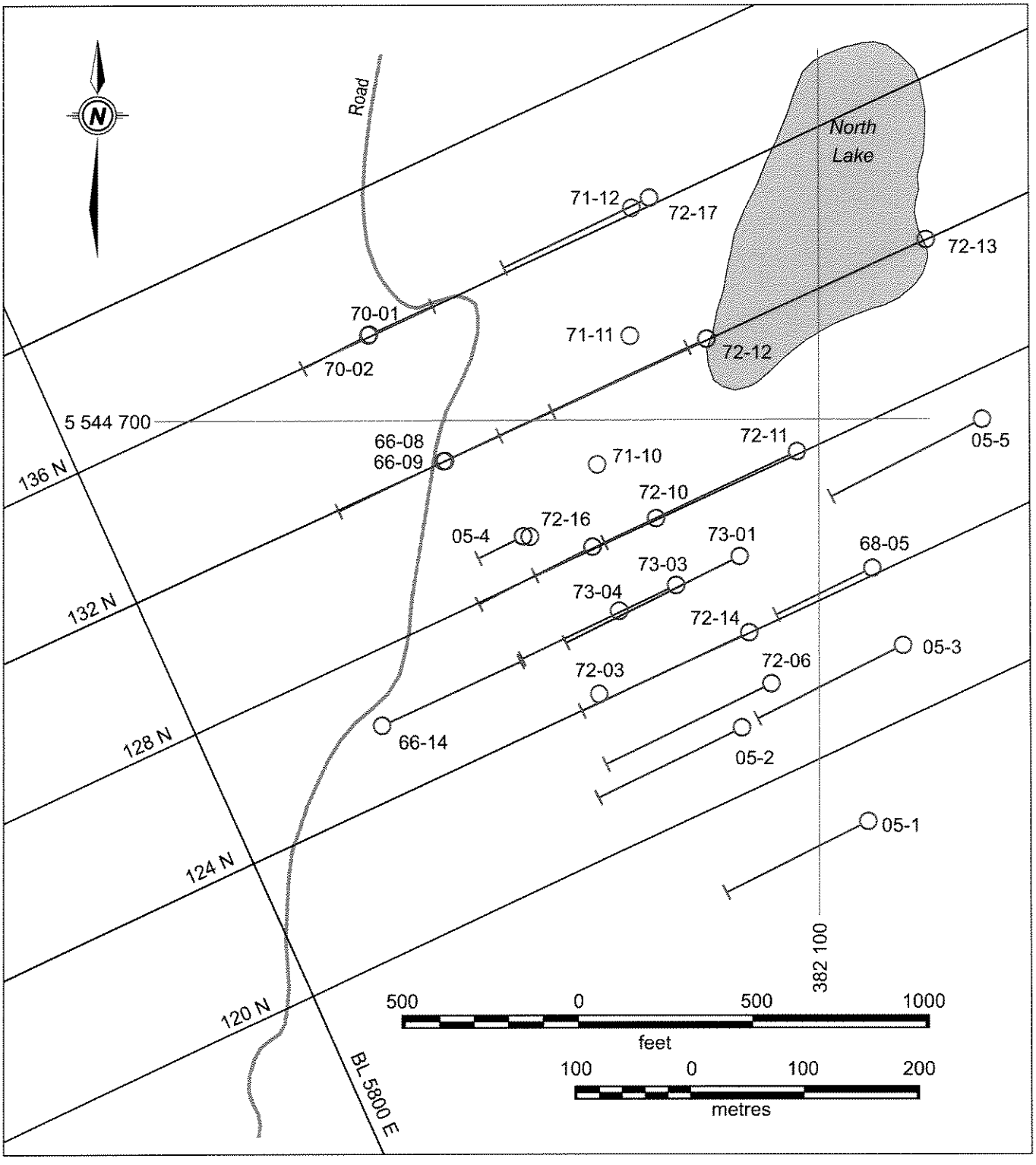

Figure 11: OK Property - North Lake Zone Drill Plan

2006 EXPLORATION PROGRAM

A surface exploration program was completed over a five week period between late May and late June of 2006. As an adjunct to the geochemical programs undertaken, a large excavator was used to improve road access within and marginal to the North Lake Zone. This work involved the extension of existing roads and construction of several drill pads east of 05-01, 05-03 and 05-05 drill holes completed in 2005. A number of grab samples were collected from bedrock exposed along the newly constructed roads. Chalcopyrite and molybdenite were found in quartz stockwork cutting quartz diorite between newly constructed drill pads east of hole 05-3 (Laird, 2006).

Sites of 1960s drilling in the Claim Lake Zone were located and a road route into this area was investigated.

Some investigation and bedrock sampling was also undertaken in several areas in the northern and southern parts of the property during the 2006 program. Further examination of the Breccia Zone suggests that it forms the core of a wider zone of silicification, minor brecciation and moderate quartz stockwork development hosting variable chalcopyrite and molybdenite mineralization (Laird, 2006).

The locations of two grids established for the collection of soil samples are shown on Figure 6. The northernmost grid area, which is immediately northwest of the North Lake Zone, was selected following a review of 2004 airborne geophysical data which had identified geophysical responses similar to those underlying the North Lake Zone. These included a relatively low magnetic response and generally coincident high resistivity readings. A flagged grid consisting of 15 lines at roughly 100 metres intervals was established off part of the original survey baseline (Figures 12 and 13). A total of 499 soil samples were collected at 25 metres intervals along the flagged lines and submitted to Acme Analytical Laboratories in Vancouver for 4-acid digestion and the subsequent determination of 35 major and trace elements (including copper and molybdenum) by ICP – emission spectrography procedures.

As illustrated on Figures 12 and 13, enhanced copper and molybdenum values were found throughout the grid area with the highest values being 1244 ppm (parts per million) copper and 534 ppm molybdenum. A previous statistical analysis of soil sample results from the OK property (Froc and Francois-Bongarcon, 1989) suggested that anomalous values for were >260 ppm copper and >27 ppm molybdenum. Assuming these values to be applicable to the results obtained from the 2006 program, less than 20 samples contain what might be referred to as anomalous copper values (Figure 12). Significantly, several of these are near the western limits of the sample grid. Molybdenum on the other hand features a much broader distribution of "anomalous" values with some 90 samples collected throughout the grid area containing values in excess of 27 ppm molybdenum (Figure 13).

A smaller grid, consisting of three flagged lines at 100 metres spacings, was established to further assess the potential of the Southwest Zone situated southwest of the Breccia Zone (Figure 6). Ninety-nine soil samples, collected at 25 metres intervals, returned only slightly enhanced copper and molybdenum values with the highest values being 115 ppm copper and 52 ppm molybdenum (Figures 14 and 15).

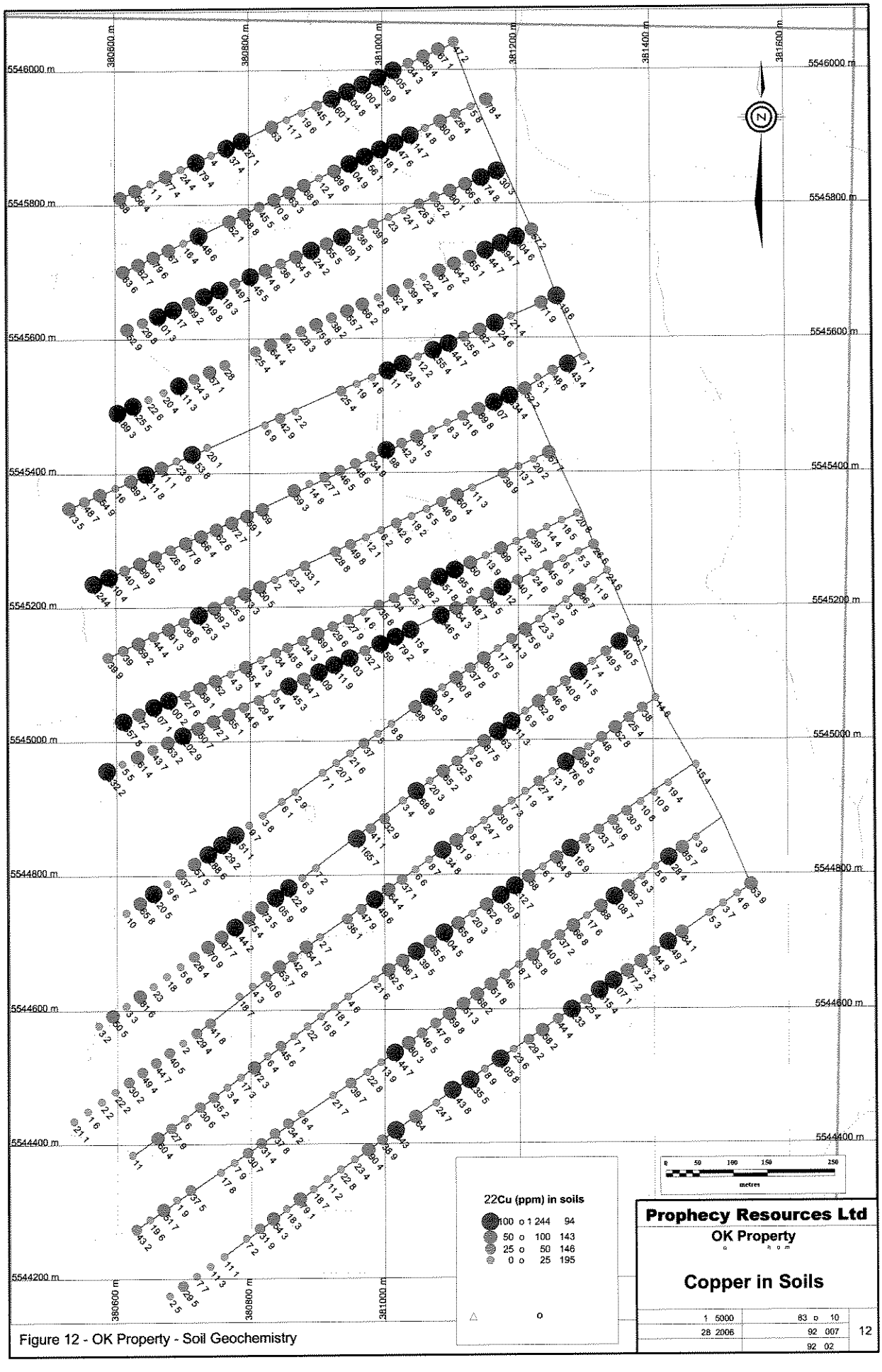

Figure 12 - OK Property - Soil Geochemistry

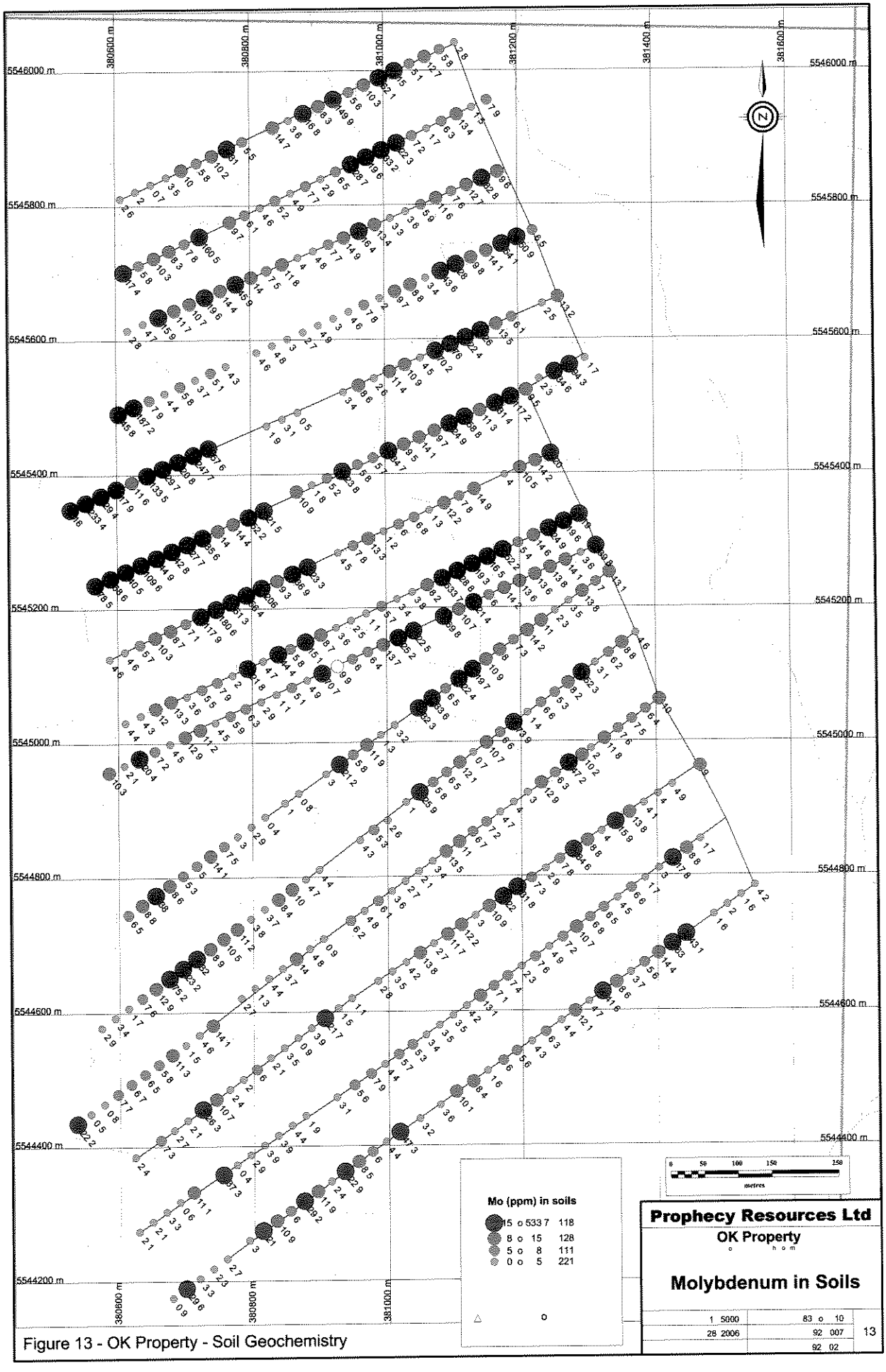

Figure 13 - OK Property - Soil Geochemistry

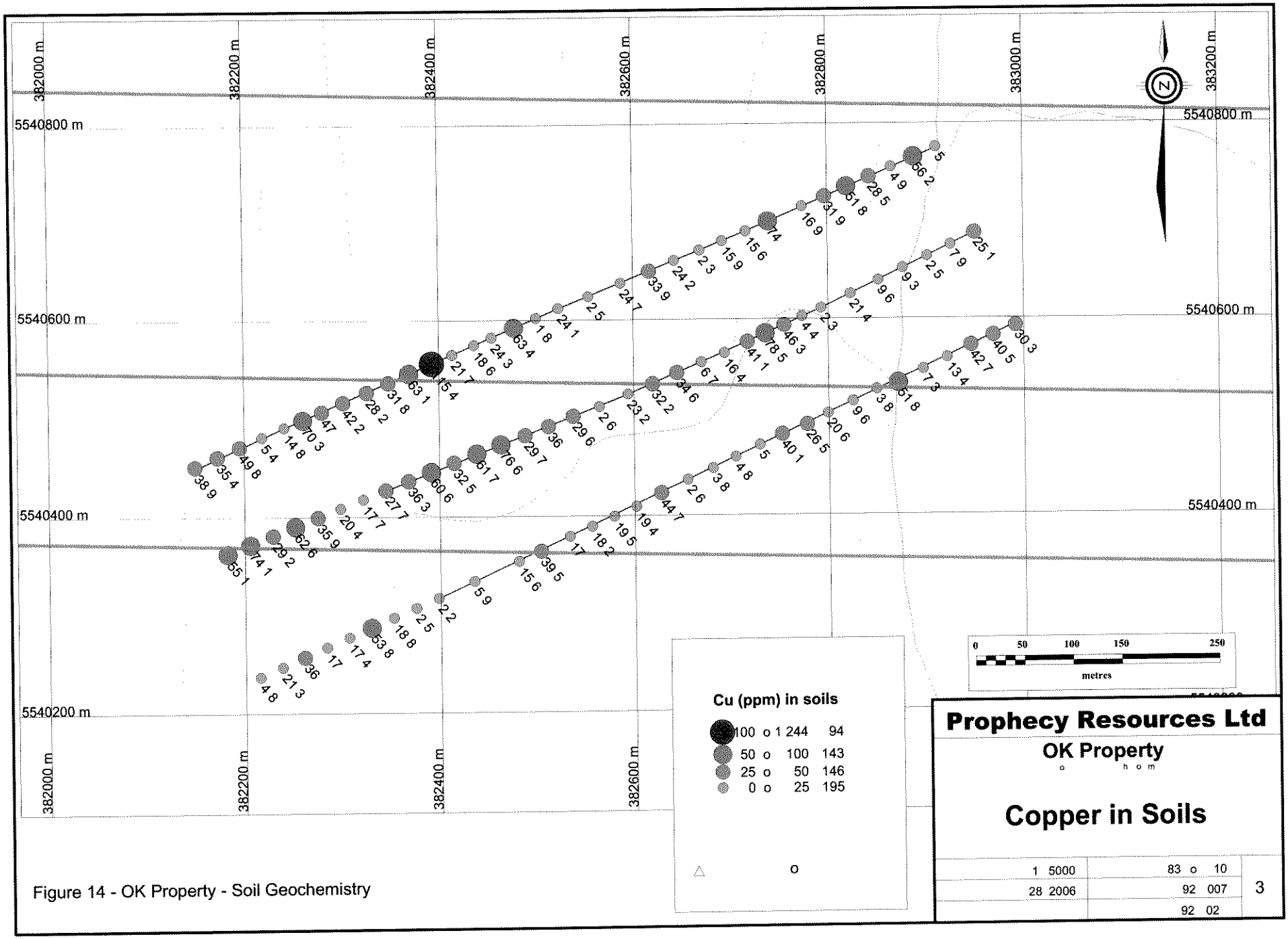

Figure 14 - OK Property - Soil Geochemistry

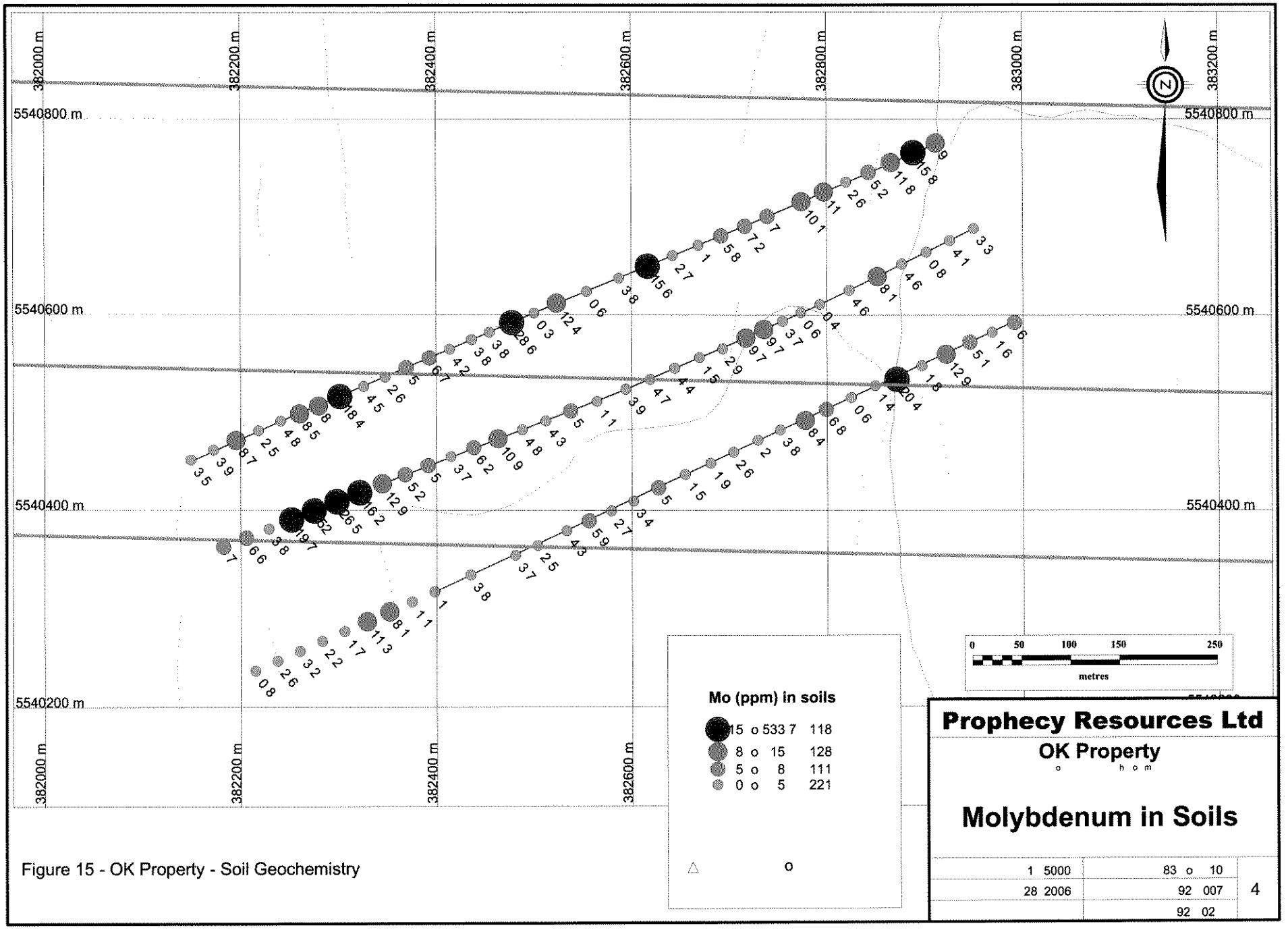

Figure 15 - OK Property - Soil Geochemistry

SAMPLING METHODS AND ANALYSES

As previously noted, drill cores recovered between 1966 and 1979 were sampled at 3 metres intervals or less and it is assumed that samples were halved using a core splitter. All of the remaining half core from these programs has been destroyed. The 12 percussion holes drilled in 1971 were also sampled at 3 metres intervals over the entire lengths of the individual holes and it is probable that cuttings from these sample intervals would have been reduced by use of a riffle splitter.

While details pertaining to most of the past drilling programs are unavailable, the writer is of the opinion that core logging and sampling was carried out by qualified personnel employed by the various companies involved in past programs. Few details are available regarding analytical procedures. Drill core samples from the three holes drilled in 1979 to test the Breccia Zone were subjected to traditional assay determinations for copper, molybdenum, silver and gold at the facilities of CDN Resource Laboratories Ltd., a well recognized laboratory at that time. Acme Analytical Laboratories Ltd. undertook 15 element ICP analyses and fire assay gold determinations for samples from the one hole drilled in 1996. As noted previously, copper, molybdenum and silver values for the 4300 soil samples collected by Aquarius Resources Ltd. in 1981 and 1982 were determined by atomic absorption by Min-En Laboratories Ltd.

The 81 bedrock samples collected in 2003 (Page, 2004) were submitted to Acme Analytical Laboratories Ltd. in Vancouver for the determination of 51 major and trace elements (including gold and silver) by ICP emission and mass spectrometry.

Procedures used during the 2005 diamond drilling program (Johnston, 2005) included logging core recovered from the various holes and splitting core intervals selected for sampling with one-half of the core comprising the individual samples and one-half retained as a permanent rock record. Sample intervals were generally 3 metres in length but varied in areas of different lithologies. Post-mineral dykes less than seven metres in hole length were sampled in their entirety while only the margins of larger dykes were sampled.

Core samples were placed in numbered and tagged plastic sample bags and secured with plastic cable lock and subsequently placed in similarly secured rice sacks for shipping via commercial carrier to Eco-Tech Laboratory in Kamloops, BC.

A prepared standard sample, inserted into the sample stream at a rate of one per thirty core samples, showed good repeatability and the laboratory also conducted quality assurance- quality control procedures utilizing sample repeats and in-house standard samples.

DATA VERIFICATION

A good portion of the historical information used in the preparation of this report is on public record in the form of assessment reports filed with the BC Ministry of Energy Mines and Petroleum Resources. The writer has no reason to doubt the quality or veracity of these data nor the analytical results as presented on various drill sections. The writer is of the opinion that all of the exploration work on the OK property completed between 1966 and 1996 was supervised and reported on by competent, qualified persons.

Qualified persons who undertook and /or supervised and reported on various

exploration programs between 2003 and 2006 included R.L. Johnston, P.Geo., Bruce Laird, P.Geo., J.W. Morton, P.Geo. and Jay W. Page, P.Geo.

The writer did not collect any samples for analyses during the course of various field examinations. Results of historic and more recent drilling of the OK property provide a reasonable assessment of average grades and, in the view of the writer, the collection of a few surface samples for analyses would not have provided any meaningful results.

Quality control for the 81 bedrock samples analyzed in late 2003 was maintained by the routine analyses of three standard samples and three repeat analyses (Page, 2004). As noted, a number of quality assurance- quality control procedures were employed for the 2005 drilling program.

MINERAL PROCESSING AND METALLURGICAL TESTING

There is no record of any metallurgical test work having been performed on samples from the OK property.

MINERAL RESOURCE AND MINERAL RESERVE ESTIMATES

Background

The acquisition in late 2004 of a digital database containing summary lithologic drill logs plus original sample results for diamond drill cores and percussion drill cuttings for most of the drill holes completed on the OK property between 1966 and 1979 made possible an estimate of Inferred Mineral Resources for the North Lake Zone, one of the several mineral zones identified on the property. Details of this estimate are contained in an earlier report by the writer (Carter, 2005b) and are referred to in a subsequent part of this section of the report.

Prior to the preparation of the 2005 National Instrument 43-101 compliant mineral resource estimate, three historic "reserve" estimates were available for the OK property and were discussed in the writer's previous reports on the OK property. While these predate, and therefore are not in accordance with provisions as specified by National Instrument 43-101, the writer was of the opinion that these estimates were relevant in the context of providing an understanding of the distribution of copper-molybdenum mineralization on the OK property.

Post-mineral dyke swarms, a prominent geological feature of the OK property, present one of the major difficulties is estimating potential mineral resources. The first "reserve" estimate, undertaken in 1974 for the North Lake Zone by Western Mines Ltd. (Meyer et al, 1976), included barren, post-mineral dykes of less than 3 metres width but excluded barren dykes of greater than 3 metres width on the assumption that they could possibly be selectively mined as waste. It was estimated that these post-mineral dykes made up approximately 20% of this particular mineralized zone.

The North Lake Zone was described by Meyer et al (1976) as containing the best copper and molybdenum mineralization identified by work to that time. Available drilling results corroborated this conclusion; at a cutoff grade of 0.20% copper, 16 of the holes

drilled between sections 122N and 136N included significant hole intervals with grades of between 0.22% and 0.51% copper. Key assumptions and parameters used in the Western Mines Ltd. estimate, in addition to those previously mentioned, were reported by Randall (1974) to include a strike length of 480 metres, an overall zone width of 213 metres and a zone depth of 243 metres. The estimate was calculated manually by drill section and while not stated, it would appear that a specific gravity of between 2.72 and 3.00 (roughly equivalent to that of the granodiorite host rock) was used. At a cutoff grade of 0.20% copper, the estimated "reserves" were:

"Drill-Indicated": 49 million tonnes grading 0.30% Cu and 0.016% MoS_2

"Inferred" 19 million tonnes grading 0.26% Cu and 0.020% MoS_2

The writer considered the historical estimate to be reliable given the reported dimensions and the summary data for North Lake Zone drill holes available at the time of preparation of the 2004 technical reports. While a current independent estimate of resources had not been prepared at that time, the writer was of the opinion that the foregoing two categories could be combined to provide a reasonable estimate of Inferred Mineral Resources for the North Lake Zone totaling 68 million tonnes grading 0.29% Cu and 0.017% MoS_2. Inferred Mineral Resources are defined (CIM Standards on Mineral Resources and Reserves Definitions and Guidelines) as being "that part of a Mineral Resource for which the quantity and grade or quality can be estimated on the basis of geological evidence and limited sampling and reasonably assumed, but not verified, geological and grade continuity. The estimate is based on limited information and sampling gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes."

A geostatistical study of the analytical results from all drill holes completed within the property area by Diehl (1982) incorporated the same assumptions regarding the post-mineral dykes as the earlier Western Mines Ltd. study in calculating a "reserve" estimate. This exercise included seven of the eight mineralized zones (the Breccia Zone was excluded) and incorporated a cutoff grade of 0.20% copper-equivalent grade and assumed depths of 300 metres for the mineralized zones to arrive at the following estimates:

"Drill Indicated": 240 million tones grading 0.24% Cu and 0.015% MoS_2

"Geological Potential": 210 million tones of similar grade

This study also suggested that selective mining could possibly upgrade millheads to the 0.50% copper range.

Froc and Francois-Bongarcon (1989) further refined Diehl's 1982 geostatistical analysis to estimate what was referred to as "proven plus possible reserves recoverable by a selective open pit mining operation." At varying cutoff grades, these were reported as follows:

Cutoff Grade (% Cu equivalent)	Tonnes(millions)	Cu(%)	MoS_2
0.20	228.4	0.32	0.020
0.30	155.0	0.39	0.024
0.40	104.9	0.46	0.028
0.50	72.0	0.54	0.023
0.60	50.0	0.61	0.037

Both the Diehl and Froc-Francois-Bongarcon estimates assume continuity within and between the seven mineralized zones distributed over a distance of 5 kilometres, an assumption which remains to be demonstrated by additional work. Further, the use of cutoff grades above 0.40% copper is not substantiated by the drilling results reviewed to date by the writer.

The writer remains of the opinion that a statement to the effect that the OK property may have the potential for hosting in excess of 200 million tonnes with average grades of 0.30% Cu and 0.020% MoS_2 at a cutoff grade of 0.20% Cu would constitute the only appropriate reference to the computer-generated estimates of Diehl (1982) and Froc and Francois-Bongarcon (1989).

(The reader is cautioned that the foregoing comments regarding the potential quantity and grade are conceptual in nature and a more detailed geological assessment plus additional drilling would be required to define a mineral resource. At present, it is by no means certain that additional exploratory work will result in the discovery of a mineral resource of this magnitude.)

April, 2005 Mineral Resource Estimate

The writer reviewed the digital database containing results of 1966 to 1979 diamond and percussion drilling and was of the opinion that the North Lake Zone in the northern grid area (Figure 6) exhibited sufficient continuity of grade to permit a reasonably reliable estimate of an Inferred Mineral Resource. The mineral resource estimate was prepared pursuant to CIM Standards on Mineral Resources and Reserves prepared by the CIM Standing Committee on Reserve Definitions and adopted by CIM Council August 20, 2000 and published in the CIM Bulletin of October, 2000.

Data used in the preparation of the mineral resource estimate included analytical results from 3819 metres of diamond drilling in eighteen holes and 180 metres of percsussion drilling in three holes. Weighted average grades of copper and molybdenum disulphide (MoS_2) were calculated by the writer for the various drill holes.

The mineral resource estimate was reported as an Inferred Mineral Resource, defined (CIM Standards on Mineral Resources and Reserves Definitions and Guidelines) as being "that part of a Mineral Resource for which the quantity and grade or quality can be estimated on the basis of geological evidence and limited sampling and reasonably assumed, but not verified, geological and grade continuity. The estimate is based on limited information and sampling gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes."

The resource was calculated manually for six drill sections between 45 and 120 metres apart and parameters used included:

Cutoff Grades – 0.20% and 0.30% copper – note that the 0.20% copper cutoff grade, considered to be appropriate assuming long term copper prices of US$1.50 per pound, demonstrates best continuity of mineralization both along and between drill sections

Minimum Hole Length of Mineralization – 3.0 metres

Area of Influence for Individual Drill Holes – midway point between drill holes

Area of Influence for Individual Drill Sections – midway point between sections

Assumed Specific Gravity **– 2.90 – note that this represents the upper range for an average quartz diorite, taking into account a low concentration of sulphide minerals**

Post-Mineral Basic Dykes **– for purposes of comparison with previous resource estimates, dykes of hole lengths of less than 3 metres were incorporated (at zero grade) into mineralized intervals, effectively diluting the weighted average grades for these intervals. Dykes comprising hole intervals greater than 3 metres were specifically excluded from mineralized blocks on individual drill sections. Dykes were assumed to be subvertical, northerly trending bodies.**

Molybdenum Grades **– these were originally reported as MoS_2 or molybdenum disulphide in percent which was the convention in the 1960s and 1970s. Current practice is to report molybdenum grades as Mo in percent. MoS_2 grades may be converted to Mo by dividing by 1.6881; the originally reported grades have been retained for purposes of this estimate.**

The April, 2005 estimates of Inferred Mineral Resources for the North Lake Zone, at 0.20% and 0.30% copper cutoff grades, are summarized in the following table:

0.20% Copper Cutoff Grade

Section	Tonnes (millions)	Copper(%)	Molybdenite-MoS_2(%)
122+50N	8.95	0.31	0.018
124+00N	8.37	0.28	0.015
126+00N	12.21	0.45	0.012
128+00N	13.68	0.37	0.016
132+00N	19.06	0.30	0.018
136+00N	1.75	0.34	0.024
	64.0	**0.34**	**0.016**

0.30% Copper Cutoff Grade

Section	Tonnes (millions)	Copper(%)	Molybdenite-MoS_2(%)
122+50N	0.60	0.37	0.023
124+00N	1.64	0.36	0.015
126+00N	7.60	0.49	0.008
128+00N	3.66	0.39	0.017
132+00N	2.90	0.36	0.017
136+00N	0.76	0.39	0.032
	17.2	**0.43**	**0.014**

The foregoing estimate of an Inferred Mineral Resource, at a cutoff grade of 0.20% copper, was thought (Carter, 2005b) to be in reasonably good agreement with the historic resource estimate prepared by Western Mines Ltd. which included a "drill indicated" and "inferred" resource totaling 68 million tonnes grading 0.29% Cu and 0.017% Mo at a similar copper cutoff grade. Overall tonnage of the April, 2005 estimate was 6% less but the copper grade was 17% higher.

Impacting the historic and more recent mineral resource estimates are the numerous post-mineral dykes present within the North Lake Zone and elsewhere on the

OK property. Orientations of these dykes remain imprecisely known but they were assumed for purposes of the April, 2005 exercise to be sub-vertical and northerly trending. The exclusion of post-mineral dykes of greater than 3 metres hole lengths from mineralized blocks diminished overall tonnages of mineralized material on several drill sections. This was particularly evident on section 126+00N (Figure 8) which features enhanced copper grades but where a number of larger dykes have the effect of significantly reducing overall tonnage. The inclusion of dykes of less than 3 metres at zero grade had the effect of reducing weighted average grades for a number of drill holes.

The recognition that the North Lake Zone was open to depth and to the east and south provided the major focus for the mid-2005 diamond drill program. Another objective of the program was to provide confirmation of previously reported copper grades plus a more accurate assessment of average molybdenum and precious metals grades.

Current Mineral Resource Estimate

The recognition that the North Lake Zone was open to depth and to the east and south provided the major focus for the mid-2005 diamond drill program. Another objective of this program was to provide confirmation of previously reported copper grades plus a more accurate assessment of average molybdenum and precious metals grades.

Locations of the five drill holes completed on the North Lake Zone in 2005 are shown on Figure 11 which also includes locations of 1960s and 1970s holes. Significant results of the five holes completed on the North Lake Zone in 2005 are contained in Appendix I as are the significant results obtained from drill holes completed between 1966 and 1973. Note that significant results mean those hole intervals of more than 3 metres containing average weighted grades of plus 0.20% copper. Results from four of the five 2005 holes were combined with earlier results to prepare a revised estimate of Inferred Mineral Resources incorporating a 0.20% copper cutoff grade.

The revised estimate tabulated below has been prepared pursuant to CIM Standards on Mineral Resources and Reserves Definitions and Guidelines as specified by National Instrument 43-101. The revised resource was calculated manually for three sections which included 2005 drill holes. Figure 16 is a generalized diagram of section 126+00N. The resource for the remaining four sections remains as reported in April of 2005.

Parameters used foregoing estimate are essentially the same as those used in a previous estimate earlier this year and include an assumed specific gravity of 2.90. Calculations of tonnages and weighted average grades were prepared for individual drill sections with the area of influence for each section projected to the mid-point between sections. For purposes of comparison with previous resource estimates the original drill hole section nomenclature has been retained.

Inferred Mineral Resources – North Lake Zone

0.20% Copper Cutoff Grade (Revised)

Section	Tonnes (millions)	Copper(%)	Molybdenite – MoS_2 (%)
117+80N*	3.29	0.25	0.006
122+50N*	23.39	0.24	0.012
124+00N	8.37	0.28	0.015
126+00N*	17.30	0.38	0.009
128+00N	13.68	0.37	0.016
132+00N	19.06	0.30	0.018
136+00N	1.75	0.34	0.024
	86.8	**0.31**	**0.014**

* New and/or revised section

0.30% Copper Cutoff Grade (Unchanged from 2005 Estimate)

Section	Tonnes (millions)	Copper(%)	Molybdenite-MoS_2(%)
122+50N	0.60	0.37	0.023
124+00N	1.64	0.36	0.015
126+00N	7.60	0.49	0.008
128+00N	3.66	0.39	0.017
132+00N	2.90	0.36	0.017
136+00N	0.76	0.39	0.032
	17.2	**0.43**	**0.014**

Comments

The revised estimate represents a 35% increase in the size of the resource at a 0.20% copper cutoff grade (86.8 million tonnes compared to 64.0 million tonnes) with an overall decrease in copper and molybdenite grades of about 10%. Almost two-thirds of the increase in tonnes is from section 122+50N (+14.4 million tonnes) where the revised estimate incorporates results from drill holes 05-2 and 05-3 (Figure 16); the remainder of the expanded resource is from sections 126+00N (drill hole 05-5) and 117+80N where drill hole 05-1, the most southerly hole drilled, intersected four narrow mineralized blocks between post-mineral dykes.

Hole 05-4, drilled to a depth of slightly more than 50 metres just north of section 128+00N, contained only a narrow mineralized interval between post-mineral dykes and was not used for in this revised estimate.

2005 drilling confirmed the presence of numerous post-mineral dykes at the North Lake Zone and average copper grades encountered are in line with those obtained from earlier drilling.
None of the mineralized intervals intersected in 2005 drill holes contain significant sections of material above a 0.30% copper cutoff grade and for this reason, the Inferred Mineral Resources within the North lake Zone above a copper cutoff grade of 0.30% remain as reported in April of 2005.

Results from 2005 drilling dispel any doubts that the originally reported molybdenum grades were in fact reported as molybdenum disulphide or MoS_2 and, in the North Lake Zone at least, precious metals values are inconsequential.

N.C. Carter, Ph.D. P.Eng.
Consulting Geologist

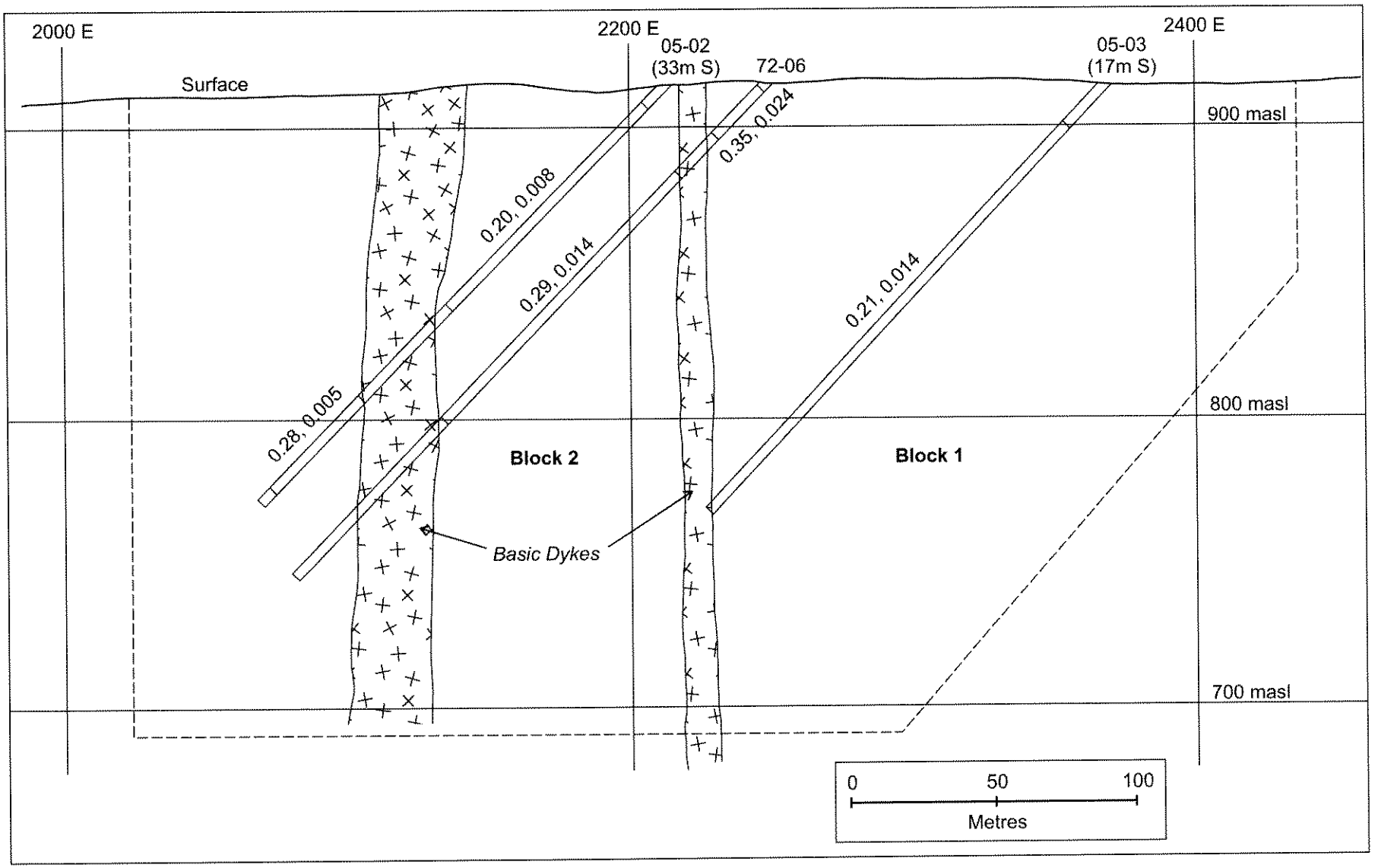

Figure 16 - OK Property, Section 122 + 50 N

INTERPRETATION AND CONCLUSIONS

The OK property includes a multiple phase granitic complex which hosts widespread copper and lesser molybdenum mineralization. Eight mineralized zones over a 5 kilometres distance have been partially defined by previous drilling programs and all zones remain open both laterally and to depth. The most consistent copper (+molybdenum) mineralization identified by past drilling is associated with quartz veinlets and stockworks developed in quartz diorite and leucocratic phases along the margins of an essentially barren, large quartz-feldspar porphyry dyke.

An Inferred Mineral Resource for the North Lake Zone is estimated to be 86.8 million tonnes with average grades of 0.31% copper and 0.014% MoS_2 at a copper cutoff grade of 0.20%. The zone remains open to depth, along trend to the south and along most sections to the east. Similar grades of copper and molybdenum have been identified within the other known zones and the property has the potential to host a significantly large resource of low grade copper and molybdenum.

Higher grades of copper, accompanied by some silver values, are associated with the Breccia Zone in southern property area. There are indications of similar breccias elsewhere within the large property area and these warrant further investigation inasmuch as they may assist in upgrading some of the other lower grade copper and molybdenum zones.

Results from recent drilling of the North Lake Zone indicate that precious metals values are very low within this particular zone. Previous and recent bedrock sampling in various parts of the property has returned essentially inconsequential gold values but low silver values appear to accompany zones of better grades of copper and molybdenum. Previous soil sampling indicated the presence of elevated silver values associated with coincident copper and molybdenum in soil anomalies suggesting that silver could be a significant component of the mineralized system.

As noted, post-mineral, barren dykes are ubiquitous within the various mineralized zones. The orientation of these is not well known but it is critical that these should be mapped in detail where exposed.

A 2004 airborne geophysical survey identified a number of anomalous features of which only a few have been investigated to date. Recent geochemical surveys have provided useful results and more work of this nature is warranted.

RECOMMENDATIONS

The writer remains of the opinion that the OK property is of sufficient merit to warrant further investigation and it is recommended that a first phase program be directed to additional drilling of the North Lake Zone to expand upon the currently identified mineral resources. This program should include several 200 to 250 metres holes collared east and south of holes completed in 2005.

Additional surface work, including mapping and sampling, is also recommended as part of first phase work. Specific known mineral zones, including the Breccia Zone in the southern warrant additional investigation and only a few of the anomalous features identified by the 2004 airborne geophysical survey have been followed up work to date.

N.C. Carter, Ph.D. P.Eng.
Consulting Geologist

Surface work should also include the determination of accurate locations for some of the historic drill holes. While the majority of the previous drill holes are accurately plotted, there are some discrepancies in the existing database.

A proposed second phase of exploratory would be contingent on the results of first phase work only to the extent that these results would assist in the design and scope of second phase work. At this juncture, it is envisioned that a second phase program would consist mainly of additional diamond drilling, directed either to the North Lake Zone or to one or more of the other known mineral zones.

COST ESTIMATE

Phase I

Diamond drilling – 1500 metres @ $120/metre	$180,000.00
Sample analyses – 600 samples @ $23/sample	$13,800.00
Supervision – 45 days @ $500/day	$22,500.00
Geologist – surface surveys – 45 days @$500/day	$22,500.00
Technical assistance – 2x 45 days @ $250/day	$22,500.00
Lodging, travel, meals, etc.	$36,000.00
Equipment rentals	$5,000.00
Communications, freight	$1,500.00
Contingencies	$30,000.00
Total, Phase I	$333,800.00

Phase II

Diamond drilling – 3000 metres @ $120/metre	$360,000.00
Sample analyses – 1000 samples @ $23/sample	$23,000.00
Supervision – 70 days @ $500/day	$35,000.00
Technical assistance – 70 days @ $250/day	$17,500.00
Lodging, travel, meals, etc.	$42,000.00
Equipment rentals	$10,000.00
Communications, freight	$3,000.00
Contingencies	$50,000.00
Total, Phase II	$540,500.00

N.C. Carter, Ph.D. P.Eng.

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CERTIFICATE of AUTHOR

I, NICHOLAS C. CARTER, Ph.D., P.Eng., do hereby certify that:

1. I am a Consulting Geologist, with residence and business address at 1410 Wende Road, Victoria, British Columbia.

2. I graduated with a B.Sc. degree in geology from the University of New Brunswick in 1960. In addition, I obtained a M.S. degree in geology from Michigan Technological University in 1962 and a Ph.D. degree in geology from the University of British Columbia in 1974.

3. I have been registered with the Association of Professional Engineers and Geoscientists of British Columbia since 1966. I am a Fellow of both the Canadian Institute of Mining, Metallurgy and Petroleum and the Geological Association of Canada and am a past director of The Prospectors and Developers Association of Canada and a past president of the British Columbia and Yukon Chamber of Mines.

4. I have practiced my profession as a geologist, both within government and the private sector, in eastern and western Canada and in parts of the United States, Mexico and Latin America for more than 40 years. Work has included detailed geological investigations of mineral districts, examination and reporting on a broad spectrum of mineral prospects and producing mines, supervision of mineral exploration projects and comprehensive mineral property evaluations.

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

6. I am responsible for the preparation of all sections of the technical report titled Technical Report on the OK Copper Property, Powell River Area, Vancouver Mining Division, British Columbia, dated September 15, 2006. I have examined and reported on the OK property on several occasions over the past 22 years and personally inspected the subject mineral property on September 8, 2004 and August 9, 2005.

7. I have not had prior involvement with the property that is the subject of the Technical Report.

N.C. Carter, Ph.D. P.Eng.
Consulting Geologist

8. As of the date of the certificate, to the best of my knowledge, information and belief, the Technical Report contains all scientific and technical information that is required to be disclosed to make the Technical Report not misleading.

9. I am independent of the issuer.

10. I have read National Instrument 43-101 and Form 43-101F1, and the Technical Report has been prepared in compliance with that instrument and form.

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

Dated this 5th day of October, 2006

"Signed " and "Sealed"

N.C. Carter, Ph.D. P.Eng.

APPENDIX I

North Lake Zone Drill Hole Data

Significant Mineralized Intervals – 2005 Drilling Program

Hole No.	Section	Interval (m)	Length (m)	Copper(Cu %)	Molybdenite (MoS_2 %)
05-01	117+80N	67.8-83.3	15.5	0.23	0.010
		101.6-112.9	11.3	0.28	0.005
		126.2-133.2	7.0	0.28	0.010
		159.6-189.6	30.0	0.24	0.002
05-02	122+50N	11.6-110.2	95.6	0.20	0.008
		155.4-200.0	44.6	0.28	0.005
	(including	160.9-194.0	33.1	0.30	0.007)
05-03	122+50N	21.2-206.7	185.5	0.21	0.014
	(including	41.6-200.6	159.0	0.23	0.014)
	(including	47.6-130.9	83.3	0.22	0.022)
05-04	129+00N	24.4-28.8	4.4	0.31	0
05-05	126+00N	135.3-208.1	72.8	0.21	0.002
	(including	135.3-145.9	10.6	0.33	0.005)
	(including	155.4-194.1	39.0	0.27	0.002)
05-06	Claim L.	3.1-100.0	96.9	0.15	0.003

Historic Data – 1966 – 1973 Drilling Programs

Drill Hole Locations – North Lake Zone

Hole No.	Grid Location	Elevation(m)	Inclination(°)	Azimuth(°)	Total Depth(m)
72-06	122+50N, 73+76E	916.5	-45	245	164.6
68-05	124+20N, 69+00E	899.2	-45	245	150.6
72-03	124+20N, 70+94E	879.7	-90		158.5
72-14	124+00N, 73+76E	908.0	-45	245	198.1
66-14	126+00N, 63+00E	888.5	-45	065	239.3
73-01	126+00N, 74+50E	891.1	-45	245	244.0
73-03	126+00N, 72+50E	903.4	-45	245	211.0
73-04	126+00N, 70+50E	906.8	-45	245	126.0
72-10	128+00N, 72+64E	890.7	-45	245	254.5
72-11	128+00N, 77+00E	885.4	-45	245	285.9
72-16	128+00N, 70+30E	895.4	-45	245	79.2
71-10	130+00N. 72+00E	883.0	-90		61.0
66-08	132+00N, 67+00E	880.7	-45	065	154.2
66-09	132+00N, 67+00E	880.7	-45	245	154.2
72-12	132+00N, 76+30E	877.3	-45	245	285.9
72-13	132+00N, 83+48E	879.2	-45	245	362.7

N.C. Carter, Ph.D. P.Eng.
Consulting Geologist

71-11	133+00N, 74+00E 891.6	-90		57.9
70-01	135+67N, 67+25E 861.2	-37	245	122.5
70-02	135+67N, 67+25E 861.2	-37	065	121.9
71-12	136+10W, 75+60E 875.4	-90		61.0
72-17	136+15N, 76+20E 873.1	-45	245	206.0
				3999 metres

Significant Mineralized Intervals – North lake Zone Drilling

Hole No.	Section	Interval(m)	Length(m)	Copper (Cu - %)	Molybdenite (MoS_2 - %)
72-06	122+50N	4.3 – 29.7	25.4	0.35	0.024
	(incl.	4.3 – 24.4	20.1	0.37	0.024)
		29.7 – 44.2	14.5	Dyke	
		44.2 – 164.6	120.4	0.29	0.014
	(incl.	44.2 – 70.1	25.9	0.33	0.017)
	(and	106.7 – 128.0	21.3	0.35	0.020)
68-05	124+00N	51.8 – 146.9	95.1	0.26	0.028
	(incl.	131.0 – 146.9	15.9	0.32	0.035
72-03	124+20N	16.5 – 44.5	28.0	0.21	0.004
		44.5 – 53.9	9.4	Dyke	
		53.9 – 76.2	22.3	0.37	0.007

Hole No.	Section	Interval(m)	Length(m)	Copper (Cu - %)	Molybdenite (MoS_2 - %)
72-14	124+00N	3.0 – 53.0	50.0	0.23	0.019
		53.0 – 62.8	9.8	Dyke	
		62.8 – 113.7	50.9	0.29	0.009
	(incl.	85.3 – 106.7	21.4	0.36	0.012
		113.7 – 119.5	5.8	Dyke	
		119.5 – 123.1	3.6	0.24	0.006
		123.1 – 129.7	6.6	Dyke	
		129.7 – 141.1	11.4	0.31	0.006
	(incl.	129.7 – 133.8	4.4	0.55	0.012
		141.1 – 162.2	21.1	Dyke	
		162.2 – 198.1	35.9	0.33	0.004
	(incl.	164.6 – 189.0	24.4	0.37	0.004
66-14	126+00N	26.8 – 39.6	12.8	0.70	NA
		142.6 – 152.4	9.8	0.38	0.004
		152.4 – 178.3	20.4	Dyke	
		184.4 – 201.2	16.8	0.28	0.002
		201.2 – 210.3	8.9	Dyke	
		210.3 – 239.3	29.0	0.31	0.002
73-01	126+00N	2.3 – 27.4	25.1	Below 0.20% Cu cutoff	

		27.4 – 60.2	32.8	Dyke	
		60.2 – 94.5	34.3	0.45	0.018
		94.5 – 100.6	6.1	Dyke	
		100.6 – 103.6	3.0	Below 0.20% Cu cutoff	
		103.6 – 109.7	6.1	0.38	0.027
		109.7 – 140.2	30.5	Dyke	
		140.2 – 233.8	93.6	0.37	0.005
73-03	126+00N	5.3 – 15.2	9.9	0.44	0.013
		15.2 – 48.8	33.6	Dyke	
		48.8 – 80.8	32.0	0.51	0.033
		80.8 – 105.9	25.1	Dyke	
		105.9 – 127.7	21.8	0.30	0.011
		127.7 – 137.2	9.5	Dyke	
		137.2 – 156.2	19.0	0.47	0.014
		156.2 – 161.5	5.3	Dyke	
		161.5 – 192.6	31.1	0.34	0.007
		192.6 – 200.6	8.0	Dyke	
		200.6 – 211.5	10.9	0.26	0.005
73-04	126+00N	15.2 – 45.7	30.5	0.29	0.013
		45.7 – 52.4	6.7	Dyke	
		52.4 – 102.1	49.7	0.35	0.014
	(incl.	61.0 – 91.4	30.4	0.40	0.011)
		102.1 – 118.9	16.8	Dyke	
		118.9 – 127.4	8.5	0.31	0.005

Hole No.	Section	Interval(m)	Length(m)	Copper (Cu - %)	Molybdenite (MoS_2 - %)
72-10	128+00N	3.4 – 23.9	20.5	0.26	0.030
		23.9 – 29.3	5.4	Dyke	
		29.3 – 32.3	3.0	0.52	0.085
		32.3 – 65.8	33.5	Dyke	
		65.8 – 76.2	10.4	0.32	0.013
		76.2 – 82.3	6.1	Dyke	
		82.3 – 144.8	62.5	0.39	0.026
		144.8 – 155.4	10.6	Dyke	
		155.4 – 213.4	58.0	0.39	0.011
		213.4 – 218.8	5.4	Dyke	
		218.8 – 235.3	16.5	Below 0.20% Cu cutoff	
72-11	128+00N	109.7 – 121.9	12.2	0.40	0.012
		121.9 – 130.5	8.6	Dyke	
		130.5 – 193.5	63.0	0.32	0.005
	(Incl.	170.7 – 185.9	15.2	0.38	0.008)
		193.5 – 202.1	8.6	Dyke	
		202.1 – 222.5	20.4	0.26	0.008
		222.5 – 231.6	9.1	Dyke	
		231.6 – 237.7	6.1	Below 0.20% Cu cutoff	
		237.7 – 262.1	24.4	0.32	0.004

	(Incl.	237.7 – 253.0	15.3	0.39	0.004)
72-16	128+00N	36.0 – 79.2	43.2	0.33	0.028
	(Incl.	36.0 – 70.1	34.1	0.36	0.031)
66-08	132+00N	21.3 – 33.5	12.2	0.31	NA
		33.5 – 48.8	15.3	Below 0.20% Cu cutoff	
		48.8 – 57.9	9.1	0.29	NA
		57.9 – 64.0	6.1	Below 0.20% Cu cutoff	
		64.0 – 79.2	15.2	Dyke	
		79.2 – 94.5	14.7	Below 0.20% Cu cutoff	
		94.5 – 115.8	21.3	0.30	NA
		115.8 – 125.0	9.2	Dyke	
		125.0 – 134.1	9.1	0.29	NA
		134.1 – 154.2	20.1	Below 0.20% Cu cutoff	
66-09	132+00N	Below 0.20% Cu cutoff			
71-10	130+00N	0.0 – 54.9	54.9	0.23	0.016
71-11	133+00N	Below 0.20% Cu cutoff			

Hole No.	Section	Interval(m)	Length(m)	Copper (Cu - %)	Molybdenite (MoS_2 - %)
72-12	132+00N	73.2 – 103.9	30.7	0.28	0.021
		103.9 – 110.3	6.4	Dyke	
		110.3 – 131.1	20.8	0.30	0.051
	(Incl.	115.8 – 125.0	9.2	0.42	0.042)
		131.1 – 140.2	9.1	Dyke	
		140.2 – 181.1	40.9	0.33	0.021
		181.1 – 191.4	10.3	Dyke	
		191.4 – 194.2	2.8	Below 0.20% Cu cutoff	
		194.2 – 203.9	9.7	Dyke	
		203.9 – 262.1	58.2	0.31	0.015
	(Incl.	262.1 – 276.4	12.5	0.38	0.011)
	(and	225.6 – 240.8	15.2	0.32	0.017)
	(and	243.8 – 253.0	9.2	0.44	0.010)
72-13	132+00N	Below 0.20% Cu cutoff			
70-01	135+67N	Below 0.20% Cu cutoff			
70-02	135+67N	Below 0.20% Cu cutoff			
71-12	136+10N	Below 0.20% Cu cutoff			
72-17	136+15N	167.64-198.12	30.5	0.34	0.024
	(Incl.	176.8 – 192.0	15.2	0.39	0.032)