



**FORM 2B
LISTING APPLICATION**

TORO RESOURCES CORP.
(the "Company")

Application for Listing of the Company's Common Shares

May 20, 2011

No securities regulatory authority or the TSX Venture Exchange has expressed an opinion about the securities which are the subject of this application.

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GLOSSARY

Unless otherwise indicated or the context otherwise indicates, the following definitions are used in this Listing Application. In the event of a conflict between a term defined in this Glossary and a term defined in the Corporate Finance Manual of the TSXV, the TSXV will govern.

April 2010 Private Placement	Means the non-brokered private placement completed by the Company on April 28, 2010 consisting of an aggregate of 3,669,998 units at a price of \$0.15, each unit comprised of one Common Share and one-half of one share purchase warrant with each whole warrant (the "April Warrant") being exercisable for one additional Common Share for a period of 24 months at a price of \$0.30. The April Warrants are subject to early acceleration in the event the closing price of the Company's Common Shares equals or exceeds \$0.75 for a period of ten consecutive trading days during the exercise term.
Application or Listing Application	Means the application for listing by the Company on the TSXV.
Associate	<p>As defined in the Corporate Finance Manual of the TSXV and when used to indicate a relationship with a Person, means:</p> <ul style="list-style-type: none">(a) an Issuer of which the Person beneficially owns or controls, directly or indirectly, voting securities entitling him to more than 10 percent of the voting rights attached to all outstanding voting securities of the Issuer;(b) any partner of the Person;(c) any trust or estate in which the Person has a substantial beneficial interest or in respect of which the Person serves as trustee or in a similar capacity; and(d) in the case of a Person who is an individual<ul style="list-style-type: none">(i) that Person's spouse or child, or(ii) any relative of that Person or of his spouse who has the same residence as that Person; <p>but</p> <ul style="list-style-type: none">(e) where the Exchange determines that two Persons shall, or shall not, be deemed to be Associates with respect to a Member firm, Member corporation or holding company of a Member corporation, then such determination shall be determinative of their relationships in the application of Rule D.1.00 of the TSX Venture Exchange Rule Book and Policies with respect to that Member firm, Member corporation or holding company.
BCBCA	Means the <i>Business Corporations Act</i> (British Columbia).
Board of Directors	Means the board of directors of the Company.
CEO	Means Chief Executive Officer.
CFO	Means Chief Financial Officer.
CNSX	Means the Canadian National Stock Exchange.

Common Shares	Means the shares of common stock of the Company.
Company	Means Toro Resources Corp., a corporation incorporated and governed by the laws of the Province of British Columbia.
Computershare	Means Computershare Trust Company of Canada and the Company's registrar and transfer agent.
Escrow Agreement	Means the Escrow Agreement among the Company, Pacific Corporate Trust Company and the escrowed shareholders dated November 29, 2005.
February 2010 Private Placement	Means the non-brokered private placement completed by the Company on February 3, 2010, consisting of an aggregate of 6,000,000 units at a price of \$0.05, each unit comprised of one Common Share and one share purchase warrant exercisable for one additional Common Share for a period of 12 months at a price of \$0.10.
Listing	Means the listing of the Common Shares on the TSXV.
Listing Date	Means the date the Common Shares are first listed and called for trading on the TSXV.
MD&A	Means Management's Discussion and Analysis.
Morgan Peak Property or the Morgan Peak Project	Means the 101 unpatented mineral claims covering a total of 2020 acres located in Gila County, Arizona.
NI 43-101	Means National Instrument 43-101 " <i>Standards of Disclosure for Mineral Projects</i> ".
NI 52-110	Means National Instrument 52-110 " <i>Audit Committees</i> ".
Named Executive Officer or NEO	Means for every reporting issuer, the following individuals: (a) each CEO; (b) each CFO; and (c) each of its three most highly compensated executive officers, other than the CEO and CFO, who were serving as executive officers at the end of the most recently completed financial year and whose total salary and bonus exceeds \$150,000; and (d) any additional individuals for whom disclosure would have been provided under (c) except that the individual was not serving as an officer of the reporting issuer at the end of the most recently completed financial year-end.
NSR	Means the 3% Net Smelter Return in favour of Minquest Inc.
Options	Means incentive stock options to purchase Common Shares granted pursuant to the terms of the Option Plan.
Option Agreement	Means the option agreement dated December 14, 2009 between the Company and MinQuest Inc. pursuant to which the Company has been granted an option to earn a 100% interest subject to the MinQuest NSR.

Option Plan	Means the Stock Option Plan, approved by the Shareholders at the Company's Annual General Meeting held on December 30, 2010.
Person	Means a company or individual.
Shareholders	Means the holders of registered or beneficial interests in Common Shares.
Technical Report	Means the NI 43-101 compliant technical report entitled "Technical Report on the Morgan Peak Copper Property, Gila County, Arizona" dated November 1, 2010 and prepared by Paul D. Noland, Consulting Geologist CPG.
Toro Nevada	Means Toro Resources Corp., a corporation incorporated and governed by the State of Nevada, and a wholly-owned subsidiary of the Company.
TSXV	Means the TSX Venture Exchange.

CURRENCY AND EXCHANGE

Unless otherwise indicated all references to "dollar" or the use of the symbol "\$" are to Canadian dollars and all references to "US dollars" or "US\$" are to U.S. dollars.

Caution Regarding Forward Looking Information

Statements contained in this Listing Application that are not historical facts are forward-looking statements (within the meaning of the Canadian securities legislation) that involve risks and uncertainties. Forward-looking statements or information may include financial and other projections and are statements which reflect the current reasonable expectations and assumptions of management regarding the future growth, results of operations, performance and business prospects and opportunities of the Company. Wherever possible, words such as "may", "would", "could", "will", "anticipate", "believe", "plan", "expect", "intend", "estimate", "aim", "endeavour" and similar expressions have been used to identify these forward-looking statements. These statements reflect the Company's management's current beliefs with respect to future events and are based on information currently available to Company's management. The Company's management uses forward-looking statements because it believes they provide useful information to shareholders with respect to proposed transactions involving the Company, and cautions readers that the information may not be appropriate for other purposes and should not be read as guarantees of future performance or results. In particular, this Listing Application contains forward-looking statements pertaining to the following:

- the exploration plans of the Company with respect Morgan Peak Property;
- the Company's stated business objectives and strategies;
- projections of exploration and operating expenses;
- the results of the exploration of the Morgan Peak Property;
- expectations regarding the ability of the Company to raise capital and to execute its business plan.

Although the Company believes that the expectations reflected by the forward-looking statements presented in this Listing Application are reasonable, these forward-looking statements have been based on assumptions and factors concerning future events that may prove to be inaccurate. Those assumptions and factors are based on information currently available to the Company about itself and the businesses in which it operates. Information used in developing forward-looking statements has been acquired from various sources including third party consultants, suppliers, regulators and other sources. In some instances, material assumptions are disclosed elsewhere in this

Listing Application in respect of forward looking statements. The material factors and assumptions used to develop the forward-looking statements include but are not limited to:

- no significant adverse changes to planned exploration expenditures;
- no significant delays of the completion of the Company's planned exploration programs;
- continuing availability of capital resources to fund the Company's exploration programs;
- no significant adverse legislative and regulatory changes; and
- stability of general domestic and global economic, market and business conditions.

Forward-looking statements involve significant risks, uncertainties and assumptions. Many factors could cause actual results, performance or achievements of the Company to be materially different from any future results, performance or uncertainty regarding achievements that may be expressed or implied by such forward-looking statements, including, without limitation, uncertainty regarding:

- general economic, market and business conditions;
- land use rights;
- adverse industry events;
- the ability of the Company to acquire additional mineral properties of merit;
- the inability to obtain required government approvals or the fact that approvals may be subject to conditions that are unacceptable;
- changing industry and government regulation;
- the ability to raise sufficient capital;
- seasonality and weather conditions;
- competition;
- currency fluctuations; and
- other risks, such as those set out under "Item 21- Risk Factors".

In addition, new factors and risks emerge from time to time and it is not possible for the Company's management to predict all of such factors and to assess in advance the impact of each such factor on the Company or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results, performance or achievements may vary materially from those expressed or implied by the forward-looking statements contained in this Listing Application. These factors should be considered carefully and readers should not place undue reliance on the forward-looking statements. Although the forward-looking statements contained in this Listing Application are based upon what the Company's management currently believes to be reasonable assumptions, the Company cannot assure prospective investors that actual results, performance or achievements will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this Listing Application and the Company does not assume any obligation, to update or revise these forward-looking statements, except as required by applicable securities laws.

Item 3: SUMMARY OF THE LISTING APPLICATION

The following is a summary of information relating to the Company and should be read together with the more detailed information and financial data and statements contained or referred to elsewhere in this Listing Application or the Technical Report.

The Business of the Company

The Company's business is the acquisition and exploration of mineral properties. The Company's principal property is an option, held through its wholly-owned subsidiary Toro Nevada, to acquire a 100% interest in the Morgan Peak Property in Gila County, Arizona and is the focus of its current exploration activities.

See "Item 4 - Corporate Structure" and "Item 5 - Description of the Business".

Management, Directors, and Officers

William Galine	President, CEO and Director
Ronald Atlas	CFO, Corporate Secretary and Director
Bernard Stannus	VP Exploration
Anthony Floyd	Director
Mark Lawson	Director
John Watt	Director

See Item 16 – *Directors and Executive Officers*.

Risk Factors

The Company has no history of earnings. Resource exploration is a speculative business, characterized by a number of significant risks, including among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production. If the Company loses its interest in the Morgan Peak Property, there is no assurance that it will be able to acquire another mineral property of merit. The Morgan Peak Property is in the exploration stage only and is without a known body of commercial ore. The Company and its assets may become subject to uninsurable risks. The Company's future operations may require permits which may not be granted to the Company. Additional Common Shares may be issued which will cause dilution to the ownership interests of the Company's shareholders. Environmental laws and regulations may affect the operations of the Company. The Company does not maintain key person insurance on any of its directors or officers. There is also no guarantee of the Company's title to the Morgan Peak Property. The Company has an option only to acquire an interest in the Morgan Peak Property and failure to keep its property interest in good standing could result in the partial or total loss of the Company's interest in the Morgan Peak Property. The economic viability of any of the Company's exploration projects cannot be accurately predicted and may be adversely affected by fluctuations in mineral prices. The Company competes with other companies with greater financial resources and technical facilities. The Company is currently largely dependent on the performance of its directors and there is no assurance the Company can maintain their services. There is no assurance that additional funding will be available to the Company. In recent years, the price of publicly traded securities prices has fluctuated widely. Situations may arise where directors and officers who are engaged and will continue to be engaged in the search for additional business opportunities on behalf of other corporations, will be in direct competition with the Company.

See Item 21 – *Risk Factors*.

Selected Financial Information for the Company

The following is a summary of selected financial information of Toro as at and for the periods indicated and should be read in conjunction with the audited annual and unaudited interim financial statements of Toro and the notes to such financial statements incorporated by reference herein:

Statements of Loss and Deficit	Six months ended December 31, 2010 (unaudited) (\$)	Year ended June 30, 2010 (audited) (\$)	Year ended June 30, 2009 (audited) (\$)	Year ended June 30, 2008 (audited) (\$)
Expenses	135,290	240,380	68,350	141,302
Interest Income	3	21	934	5,229
Loss per share, basic and diluted	(0.01)	(0.03)	(0.03)	(0.02)
Net loss and Comprehensive Lost for the Year	(135,287)	(240,360)	(211,273)	(136,073)

Balance Sheets	Six months ended December 31, 2010 (unaudited) (\$)	Year ended June 30, 2010 (audited) (\$)	Year ended June 30, 2009 (audited) (\$)	Year ended June 30, 2008 (audited) (\$)
Total Assets	821,612	847,306	80,953	294,786
Total Liabilities	24,657	32,664	20,757	23,322
Share Capital	1,594,766	1,480,576	603,876	603,876
Contributed Surplus	121,510	118,100	-	-
Deficit, end of period	(919,321)	(784,034)	(543,674)	(332,401)

Item 4: CORPORATE STRUCTURE

Name, address and incorporation

The Company was incorporated under the BCBCA under the name of Toro Resources Corp. on June 30, 2005.

The Company maintains its head office at 600 – 595 Howe Street Vancouver, B.C. V6C 2T5 and its registered and records office at 4th Floor, 570 Granville Street, Vancouver, BC V6C 3P1.

The Company's contact particulars are as follows:

Telephone: 604-662-3903

Fax: 604-662-3904

Email: bgaline@tororesources.com

Website Address: <http://www.tororesources.com>

The Company is a reporting issuer in British Columbia, Alberta and Ontario.

Intercorporate Relationships

The Company has one wholly-owned subsidiary, Toro Resources Corp., incorporated under the laws of the State of Nevada referred to in this Listing Application as "Toro Nevada".

Item 5: DESCRIPTION OF THE BUSINESS

General

The Company's business is the acquisition and exploration of mineral properties. The Company's principal property is an option to acquire a 100% interest in the Morgan Peak Property in Gila County, Arizona and is the focus of its current exploration activities.

The Company has obtained a NI 43-101 technical report prepared by Paul D. Noland, Consulting Geologist, C.P.G. dated November 1, 2010 (the "Technical Report"). The conclusions and recommendations of the Technical Report are presented below under the heading "Morgan Peak Property". The Technical Report recommends the completion of a two phase exploration program on the Morgan Peak Property with a total budget of US\$1,100,000. The Issuer intends to commence the first phase US\$500,000 exploration program in 2011. If successful, the first phase is to be followed by the second phase US\$600,000 exploration program.

Three Year History

The following is a summary of the general development of the Company's business over the last three financial years and includes all of the key material contracts and arrangements the Company entered into during this period.

Fiscal Year ended June 30, 2008

During the fiscal year ended June 30, 2008, the Company completed its initial public offering and obtained its listing on the Canadian National Stock Exchange.

Fiscal Year ended June 30, 2009

During the fiscal year ended June 30, 2009, the Company announced that it had entered into a letter of intent with Canadian Uranium Corporation Ltd. and North Range Resources Ltd. respecting a proposed business combination by way of amalgamation between the three corporations. The letter of intent was subsequently terminated on November 17, 2008.

During the fiscal year ended June 30, 2009 the Company also abandoned 63 additional mining claims relating to the previously entered into agreement to acquire a mineral lease for an area of interest containing 4 mining claims located in Lemhi Country, Idaho (the "Deer Creek Property"). See below under "Prior Mineral Properties" for additional detail.

Fiscal Year ended June 30, 2010

During the fiscal year ended June 30, 2010, the Company entered into a definitive mineral property option agreement dated February 1, 2010 (the "Morgan Peak Option Agreement") with MinQuest Inc. ("MinQuest") for an option to earn a 100% interest, subject to a 3% net smelter royalty, in the Morgan Peak Property located in Gila County, Arizona. The Morgan Peak Property is comprised of 101 unpatented mining claims covering a total of 2020 acres. MinQuest holds the Morgan Peak Property directly and indirectly through a mineral property option agreement, as amended, between MinQuest and a third party (the "Underlying Option Agreement"). Pursuant to the Morgan Peak Option Agreement, MinQuest has assigned its interest in the Underlying Option Agreement to the Company.

On March 9, 2010, the Company incorporated a wholly owned subsidiary, Toro Resources Inc., referred to as Toro Nevada, a company incorporated in Nevada, for the purpose of holding its mineral property interests located in the

United States of America. Subsequently, on March 10, 2010, the Company transferred all of its right, title and interest in and to the Morgan Peak Option Agreement to Toro Nevada.

During the fiscal year ended June 30, 2010, the Company also conducted two private placements raising aggregate proceeds of \$850,500 for use as working capital and expenditures on the Morgan Peak Property. See "Item 9 - *Financings*".

Subsequent to Year ended June 30, 2010

Since June 30, 2010, the Company has acquired an additional 56 contiguous unpatented mining claims surrounding the Morgan Peak Property.

Prior Mineral Projects

On July 30, 2005, as amended August 5, 2009, the Company entered into an agreement to acquire a mineral lease for the Deer Creek Property. The agreement was subject to a 2.5% net smelter returns royalty. During the year ended June 30, 2006 the Company acquired an additional 61 lode mineral claims. During the year ended June 30, 2009, the Company abandoned these additional claims, and wrote off \$22,437 of mineral property acquisition costs and \$27,175 of deferred development expenditures which had been incurred in relation to the claims. On June 30, 2009, the Company performed its annual review of its property holdings and recorded a mineral property impairment provision of \$80,488, and a deferred exploration impairment provision of \$13,757 resulting in the carrying cost of the property being \$1. On June 30, 2010, the Company abandoned the Deer Creek Property and recorded a further mineral property impairment of \$1.

The Morgan Peak Property

In order to earn the interest in the Morgan Peak Property, the Company is required to make aggregate cash payments of US\$1,665,000, issue an aggregate of 3,000,000 Common Shares and incur an aggregate of US\$4,300,000 in exploration expenditures all over an eight year period. On February 3, 2010, the Company paid an aggregate of US\$30,000 and issued 250,000 Common Shares to MinQuest. The Company has also issued 102,000 Common Shares to a finder in respect of the option.

The following table sets forth the property payments, shares issuances and exploration expenditures to be made in accordance with the terms of the Morgan Peak Option Agreement. In January 2011, the Company paid US\$30,000 in satisfaction of the property payment to be made on or before January 31, 2011 as well as issued an aggregate of 250,000 Common Shares to MinQuest.

	CASH COMPENSATION (US\$)	SHARE CONSIDERATION (# OF COMMON SHARES)	EXPLORATION EXPENDITURES (US\$)
Upon execution of Morgan Peak Option Agreement	30,000	250,000	-
On or before January 31, 2011	30,000	250,000	250,000
On or before January 31, 2012	50,000	300,000	350,000
On or before January 31, 2013	60,000	350,000	450,000
On or before January 31, 2014	80,000	400,000	500,000
On or before January 31, 2015	100,000	450,000	750,000
On or before January 31, 2016	100,000	500,000	1,000,000
On or before January 31, 2017	100,000	500,000	1,000,000
On or before January 31, 2018	1,115,000	-	-
TOTAL	1,665,000	3,000,000	4,300,000

The following information regarding location, description and acquisition, accessibility, climate, local resources, infrastructure and physiography, history, regional geology, local geology, deposit types, mineralization, drilling, sampling and analysis, mineral resource estimates and proposed exploration and development program has been reproduced and excerpted from the Technical Report.

Property Description and Location

The Morgan Peak Property is located in Gila County, Arizona, about 16 km (10 mi) east northeast of Superior, Arizona within Sections 13, 14, 15, 22, 23 and 24, Township 1 South, Range 14 East and Sections 18 and 19 Township 1 South, Range 14½ East. Access is via paved highway and well maintained U.S. Forest Service (USFS) gravel roads (See Figure 1, Location Map). The property is located near the towns of Miami and Globe, supplying infrastructure and workforce.

The property consists of 131 unpatented mining claims, currently controlled by the Company. The Company entered into a LOI with Minquest in December 2009 which allows the Company the exclusive option to acquire an undivided 100% right, title and interest in and to all mining claims listed in Appendix I subject to an underlying 3% net smelter return royalty to either MinQuest or Corn. In order to keep this option valid, the Company must make an annual work commitment of minimum US\$250,000 during the first year of the agreement, escalating to US\$500,000 by year 4. The claims cover 1035 hectares (4 sq mi). The property is administered by the USFS Tonto National Forest with a local office in Globe, Arizona. The USFS controls all surface rights within the unpatented claims. Access via public roads to and across the property is currently available. Further exploration disturbances must be permitted through the USFS. Current exploration on the property is conducted within an existing permit from USFS. Additional disturbances may be approved under this permit pending USFS evaluation and approval. Claims must be kept in good standing by filing notices and paying annual fees to both the U. S. Bureau of Reclamation (BLM) and to Gila County, Arizona. These filings must be made annually by the Company in order to keep the option agreement and claims status in good standing. Annual fees to keep the property in good standing are approximately US\$15,000.

A complete listing of the claims comprising Morgan Peak is given in Appendix I (see Figure 3, Claim Map). All the claims listed are considered to be valid by the BLM, with the 2009–2010 claim maintenance fees having been paid according to BLM's website LR2000. All claims have also reportedly been kept in good status with Gila County, Arizona. No legal survey of the claims has been undertaken nor has a title search been conducted. Figure 3 also shows the approximate locations of several, unpatented claims not controlled by the Company (senior claims, status uncertain). A records search of these claims in the Gila County, Arizona courthouse reveals that past annual filings and fee payments have not been made for all claims in all years. Consequently, the status of these 'senior' claims is uncertain. A search of the ground by MinQuest and ACCO personnel did not find markings or posts identifying these claims. Consequently, their exact locations are not certain. Mine workings on the property consists of a few exploratory adits (historic), none of which produced any recorded mineral production (see Figure 5 for approximate locations). There are no tailings, waste deposits or other significant structures within or immediately adjacent to Morgan Peak. There are no known existing environmental issues on the property which need to be monitored or otherwise addressed.

Access, Climate, Local Resources, Infrastructure, and Physiography

Access to Morgan Peak is via U.S. Highway 70 between the towns of Globe and Superior, Arizona (see Figure 1, Location Map). At a point approximately 10 km (6 mi) west of Globe, Arizona, turn south from Highway 70 onto numbered USFS-maintained gravel road 349. This USFS road dissects the claim block, and intersects any number of secondary USFS roads and the numerous drill roads extant on the property.

The property elevation ranges from approximately 1371 m (4,500 ft) in the drainages to over 2438 m (8,000 ft) along the upper ridges. Topography is marked by steep hillsides and linear ridges. Drainages are intermittent. Vegetation is a mix of deciduous, evergreen and brush species, with numerous cacti interspersed. Conifers are mostly restricted to the higher elevations. The property borders the Sonoran Desert, but climate is tempered by elevation. It is best described as semi-arid. Precipitation occurs primarily as winter snow and late winter-early spring rain. Occasional thunderstorms occur in summer months. Daytime highs are in the 30's C° (90's F°) during the summer and 4 to 13 C° (40's to 50's F°) during winter. Overnight lows may be below freezing during the winter, but typically does not stay below freezing into daylight hours. Summer evenings are warm.

A labor force and ancillary necessities are available in the nearby communities of Globe and Superior. Phoenix, a major metropolitan complex, is about a one and one-half hour commute to the west, approximately 129 km (80 mi). (see Figure 1, Location Map)

No infrastructure is present within the property boundaries. Several large scale copper mines are operating across US Highway 70 and within 16 km (10 miles) of the property.

History

The property is situated within a well mineralized mining district with historic production over 120 years. Historic mining within Morgan Peak is limited to a few non-producing adits and exploration trenching and drilling. This district is centrally located within a broad northeasterly trend of operating copper-molybdenum mines stretching over 177 km (110 mi) from the Miami Mine Complex to the Ajo Mine (Figure 1). The district has had a long history of mining which was initiated in the 1850's for copper, silver and gold. Exploration for porphyry copper deposits started in the early 1900's. The Miami-Globe area witnessed the start of several of the larger mining companies in the United States. Inspiration Consolidated Copper Company (eventually bought by Superior), Miami Copper Company (merged with Magma), and International Smelting and Refining Company (later Asarco) became large companies from the exploitation of low grade porphyry copper mines within the Miami-Globe mining districts (Figure 2).

Recent exploration began on Morgan Peak in the 1940's. Copper oxide mineralization was discovered leaching from natural springs in the canyon leading to Morgan Peak. In 1947-48, Miami Copper drilled five widely spaced churn holes to an average depth of 157 m (515 ft) within the property boundaries. Since that time, Kerr-McGee, Humble, American Copper and others have drilled at least 96 holes averaging 90 m (299 ft) in depth. A potential resource calculated by Kerr McGee from drilling to 1967 was estimated to contain a non-compliant NI43-101 resource of 17.5 million tons grading 0.37% copper. These historic resource estimates have not been verified by current author, and are not treated or presented as current mineral resource estimates. None of the resources listed above or elsewhere in this report meet the criteria of any of the 'resource' categories defined by NI43-101 standards or CIM definitions. Consequently, these historic resource estimates should not be relied upon for current property evaluations or investment recommendations. These historic resource estimates should not be relied upon for current property evaluations or investment recommendations. This non-43-101 resource is based on a 12 to 30 m (40 to 100 ft) thick "blanket" of chalcocite lying from 8 to 76 m (25 to 250 ft) below surface. This figure is reported in USGS Open File Report 98-206 under the name Lonesome Pine. The following table lists the known drilling within the property:

Table 1 Historical Drilling Activity, Morgan Peak Copper Property

• Miami Copper	1947-50	5 drill holes for a total of 782.9 m (2,568.7 ft)
• Consolidated Uranium	1957	3 drill holes for a total of 242.9 m (797 ft)
• Kerr McGee	1964-67	12 drill holes for 1222.6 m (4,011.3 ft)
• Phelps Dodge	1967	1 drill hole for a total of ~ 457 m (1,500 ft)
• Phoenix Ventures	1967	25 shallow holes unknown depths
• Humble	1969-72	32 drill holes for a total of 3168.8 m (10,396.5 ft)
• E&E Exploration	1970	4 drill holes for a total of 672 m (2,205 ft)
• American Copper Corp.	2007-2009	14 drill holes for 1175.4 m (3,856.2 ft)

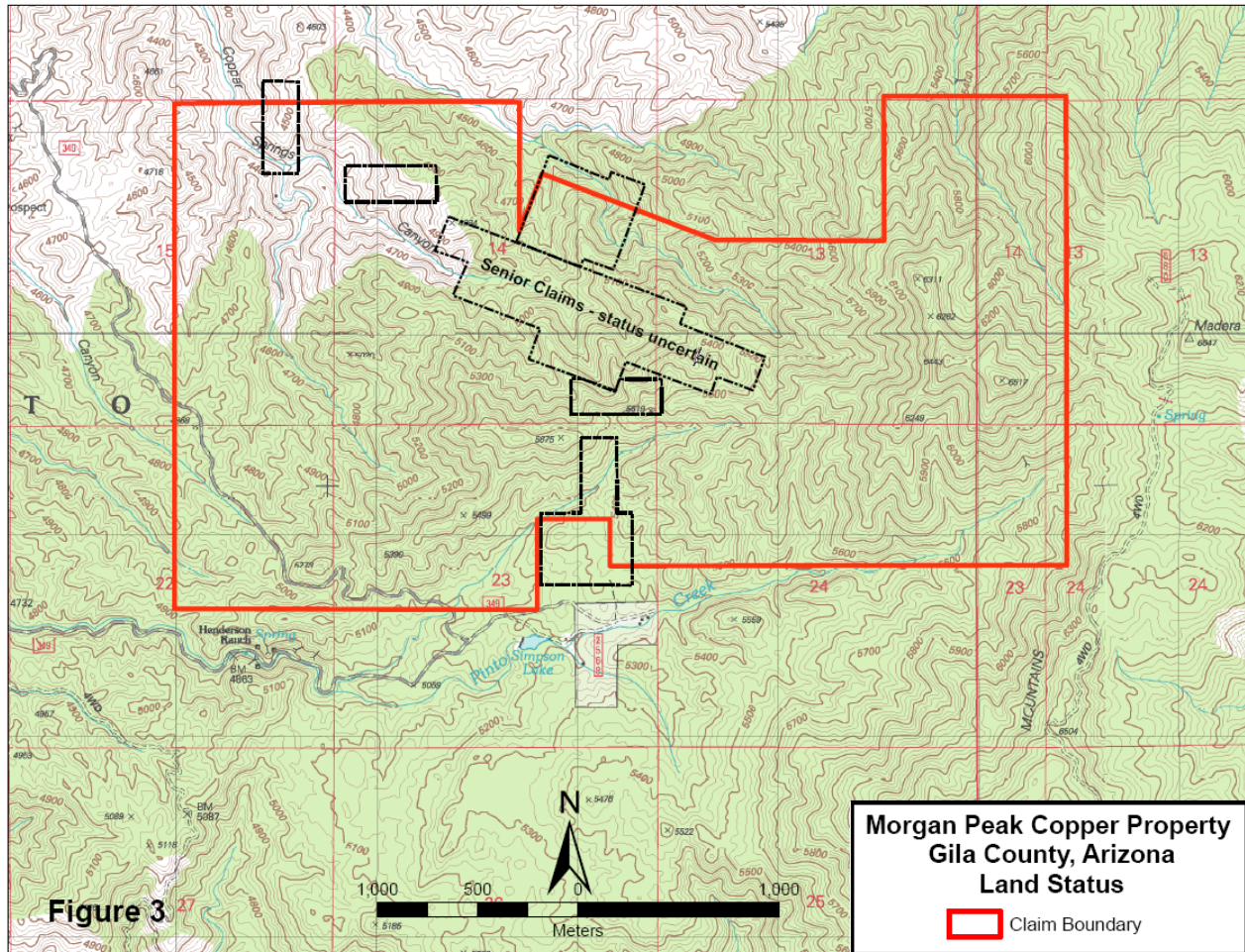
These historic resource estimates have not been verified by the Author, and are not treated or presented as current mineral resource estimates. None of the resources listed above or elsewhere in this report meet the criteria of any of the 'resource' categories defined by NI43-101 standards or CIM definitions. Consequently, these historic resource estimates should not be relied upon for current property evaluations or investment recommendations. The resources were calculated by industry professionals using accepted practices at the time. The resource calculations used wide

spaced drilling to estimate potential for size and grade of an exploration property. These estimations were used to prioritize exploration programs going forward.

In 1969 Humble drilled 32 holes, 30 of which were short rotary holes testing the blanket of chalcocite discovered by Kerr-McGee and others. Humble estimated 37 million tons grading 0.26% copper from drilling on roughly 245 m (800 ft) centers (again, a non-43-101 compliant resource). Humble's drilling increased the size, but reduced the overall grade of the mineralization. It is believed by ACCO geologists that Humble's drilling combined several techniques that ultimately reduced the grade while increasing the tonnage. These methods included averaging values less than 0.1% copper, sampling over ten feet lengths, using a churn drill exclusively for the first 20 holes and later to precollar for core holes. Poor core recoveries are also blamed for additional losses. A failure to adequately penetrate the desired zone in several holes was also described by Luria (1970) in the final Humble report.

Three deep drill holes (>305 m or 1000 feet) are known to have been completed on the property. This drilling tested for hypogene mineralization related to the near surface chalcocite and oxide copper mineralization. Phelps Dodge completed a drill hole on the north side of the property within the Schultze Granite. This hole is reported to be approximately 457 m (1,500 ft) deep and tested the granite near the contact of the Pinal Schist. No other information is available on this hole. Two deep drill holes were completed on the property by Humble. Hole CS A penetrated to a depth of 627 m (2,057 ft) and CS B penetrated to a depth of 454 m (1488 ft). Hole CS A was on the south side of the property marginal to the eastern chalcocite target, while hole CS B tested the west side of the property within the western chalcocite target. Both holes encountered near surface oxide copper and chalcocite mineralization then ended in propylitic alteration.

The property sat dormant from the mid-70's to 2003 when Phelps Dodge came back into the property. Phelps Dodge completed an IP survey over the East Lobe then let the property lapse in 2006 when MinQuest took an active interest. MinQuest then leased the project to ACCO. During the time that ACCO held the property, it initiated geologic mapping and sampling, completed an IP survey over the western target area (West Lobe Resource). They then drilled 14 shallow core holes testing the continuity of the West Lobe mineralization, the accuracy of previous samples from the Humble and Kerr-McGee drill programs, and metallurgical testing of the chalcocite and copper oxide mineralization. Details of the expenditures associated with the 2008 and 2009 exploration programs conducted by ACCO are provided in APPENDIX IV. In addition, results of ACCO drilling are summarized in Section 11 and Table 3. Sections 12 and 13 provide details of sample handling, security and QA/QC procedures for the 2008 ACCO drilling. Additionally, Toro has spent approximately \$78,677 during 2010 in enhancing the Morgan Peak project. Most of these expenditures are associated with geological surface mapping to identify exploration targets and with an air-photo flight commissioned for the purpose of preparing detailed surface maps. A summary of these findings is provided in the 'Exploration' Section of this report. These expenditures are documented in Appendix V.



Geology

Regional Geology

Morgan Peak is located within the western margin of the Globe-Miami Mining District, a northeast trending belt of porphyry copper deposits, copper veins and exotic copper deposits. These deposits are clustered around a multiphase intrusive event commonly known as the Schultze Granite. The various phases range from the oldest granodiorite to the youngest phase of a porphyritic quartz monzonite. The ore deposits of the district are all related to this youngest phase of the Schultze Granite.

The Globe-Miami district covers an area composed of middle Proterozoic supracrustal rocks and younger middle Proterozoic plutonic rocks depicted in Figure 4 (Creasey, 1980). This belt forms a transition zone between two major structural provinces, the Colorado Plateau province in north-central and northeastern Arizona, and the Basin and Range province in the southwest and western part of the state. The oldest reported unit in the area is Precambrian X age (2.5-1.6 Ga.) Pinal Schist, which has been intruded from oldest to youngest by the granite of Manitou Hill, Madera Diorite, Solitude Granite, Ruin Granite and Lost Gulch Quartz Monzonite. The above intrusions are all Precambrian in age ranging from 1.6 Ga. to 1.4 Ga.

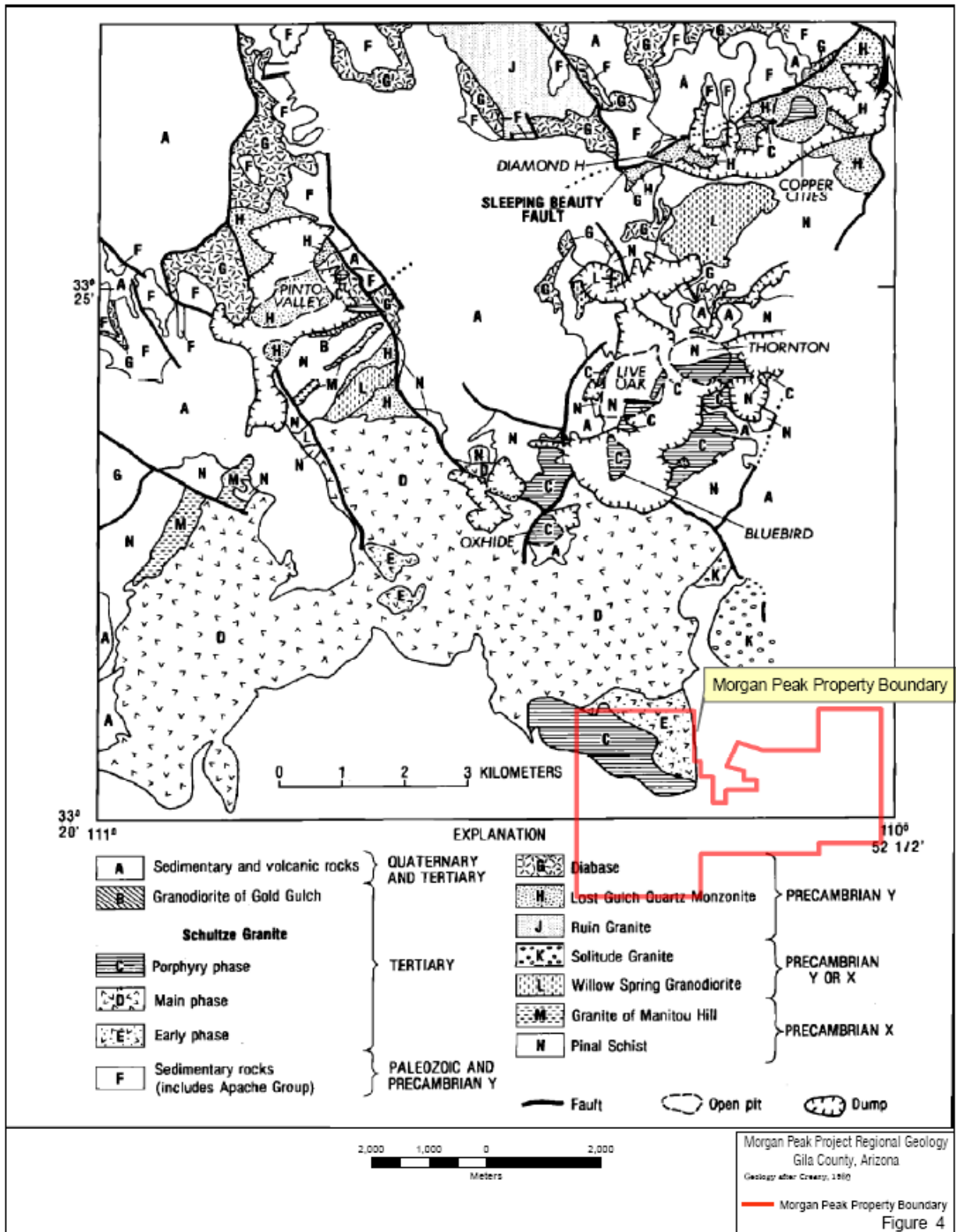
The area was uplifted and eroded over the next 300 Ma. Portions of the Madera Diorite and Ruin Granite were unroofed during this period. The area underwent subsidence during which the Precambrian Y sequence Apache Group and Troy Quartzite (1.6-0.8 Ga.) were deposited. The Apache Group consists of conglomerate, quartzite, shale and carbonates capped by basalt flows. The Troy Quartzite unconformably overlies the Apache. About 1.1 Ga.

ago, dikes and sills of diabase intruded the Apache Group and Troy Quartzite. Uplift and erosion followed this event and continued into the Paleozoic.

Subsidence occurred late in the Silurian. The district was covered during the Devonian to Pennsylvanian ages allowing limestone, dolomite and shale to accumulate. No Mesozoic age rocks have been identified except for some small intrusive bodies of probable Cretaceous age.

The early part of the multiphase Schultze Granite intruded the area ~63 Ma. Copper mineralization is reported to have developed in the waning stages of Schultze Granite (~59 Ma) intrusion (Creasey, 1980). The porphyritic to quartz monzonite porphyries are mainly coincident with copper mineralization. Current theories indicate that the mineralization may have occurred at depths ranging from two to four kilometers below the surface.

It has been recognized for over forty years that the Globe-Miami district represents a cluster of porphyry copper deposits aligned along a northeasterly trend. This trend can be traced for nearly 180 km (110 mi) along strike and reaches up to 48 km (30 mi) in width. This realization has been followed up with astute geologic detective work which caused discoveries to be made through barren cap rock.



The Schultz Granite is recognized as complexly faulted and variably tilted throughout the district. Recent work in the district and along trend has shown that extension and resultant tilting and dismemberment of the several porphyry systems within the district may have occurred as recently as mid-Miocene. This series of events caused

low angle faults, disrupting the mineral deposits. Continued movement along these faults caused the intrusive body and resultant mineralized zones to become fanned out like a deck of cards.

Local Geology

Lithologies

The lithologies directly relevant to Morgan Peak mineralization fall within middle Proterozoic and Laramide age. Both are represented within the property boundaries (Figure 5). In the vicinity of Morgan Peak, a southerly lobe of the Schultze Granite (porphyritic quartz monzonite to porphyry), intrudes a series of thin bedded shale, quartzite, schist and diabase. This unit is locally referred to as the Pinal Schist. This unit is flanked on the south by Madera Diorite which is locally an intermediate intrusive of equigranular nature. The following lithologies discussed begin with the oldest rocks at the mine.

Proterozoic Pinal Schist

The Pinal Schist is recognized as the oldest formation within the property boundary. Regionally it has been divided into two distinct assemblages. The eastern assemblage comprises a bimodal volcanic sequence of basalt, rhyodacite and rhyolite. The western assemblage is dominated by quartz wacke turbidites. Within the property, this unit ranges from a mudstone to recrystallized quartzite, and is consistent with the western assemblage.

The rocks are generally tan to light brown at surface with laminations and bedding planes visible in outcrop. In drill core, the mineral assemblages are even more clearly developed. The schist can vary from quartz-sericite to quartz-biotite with many variations between. The principle mineral constituents are quartz, sericite, biotite, muscovite, and chlorite. Considerable muscovite and sericite are recognized in altered outcrops. However, drill logs do not reflect this alteration at depth. The rocks are well folded in outcrop and drill core. The unit is locally cut by quartz, epidote and quartzorthoclase feldspar veins and stringers. In many places the veins and stringers form a stockwork of cross-cutting veinlets.

The Pinal Schist is intruded by diabase sills and dikes from one to ten feet thick. The Madera Diorite intrudes the south margin of the unit along the southern portion of the property. The Schultze Granite intrudes the northern part of the unit along the northern part of the property boundary. Along the southern border of the Pinal Schist, alteration consists of large muscovite selvages, white quartz veining and local areas of schist and gneiss development. Along the northern border the Pinal Schist has undergone silicification, potassic flooding and has been variably cut by stockwork veinlets.

Proterozoic Madera Diorite

The Madera Diorite intrudes and forms the southern boundary of the Pinal Schist. Various age dates put the Madera at ~1,600 Ma. The rock is massive, equigranular, phaneritic, light brown to beige, and at the surface it is often weathered to a crumbly grus. It is composed of quartz, plagioclase feldspar, and biotite.

Diabase Dikes

Fine grained diabase dikes and sills intrude the Pinal Schist. Although none have been recognized in outcrop, several have been identified in core, especially near the northern Schultze Granite contact. The dikes are aphanitic dark green to black and are composed of plagioclase feldspars, augite, olivine and hornblende. At least one area of diabase is noted by Peterson to cut the Madera Diorite, suggesting a post-1,600 Ma age. This rock is soft and tends to weather recessively, providing few clues to its time line.

Laramide Intrusive

The Schultze Granite intrusion is represented by at least three phases recognized in the field. Quartz monzonite forms the main body of the intrusive within the project area. It is equigranular and composed of quartz, plagioclase and orthoclase feldspars, biotite and minor hornblende. The quartz monzonite (Tkqm) intrudes the Pinal Schist along the northern portion of the property.

A second intrusive event is represented by quartz monzonite porphyry (Tkqmp). Although the two intrusive events have similar compositions, the porphyritic phase has large quartz crystals throughout its mass distinguishing it from the equigranular phase. Intense quartz-sericite-pyrite alteration and quartz veining with copper are often within or in close proximity to the porphyry intrusive phase. Both of the intrusive phases contain from 20% to 50% quartz, 20% to 40% plagioclase and 10% to 30% orthoclase with minor amounts of magnetite, pyrite, apatite and hubnerite.

A third intrusive phase is evident within the porphyritic phase. A buff to tan aplite has been mapped as small stocks and dikes within the porphyritic phase of the quartz monzonite.

Small to medium areas of brecciated Pinal Schist from 9 to 230 m (30 to 750 ft) in rough diameter occur mainly on the western side of the property. The breccia fragments are mainly of schist with some small fragments of Schultze Granite inclusions. The central core of the largest body is rock flour. Although the timing is unknown for these events, it is believed that the pipes may be contemporaneous with the Schultze Granite intrusive event.

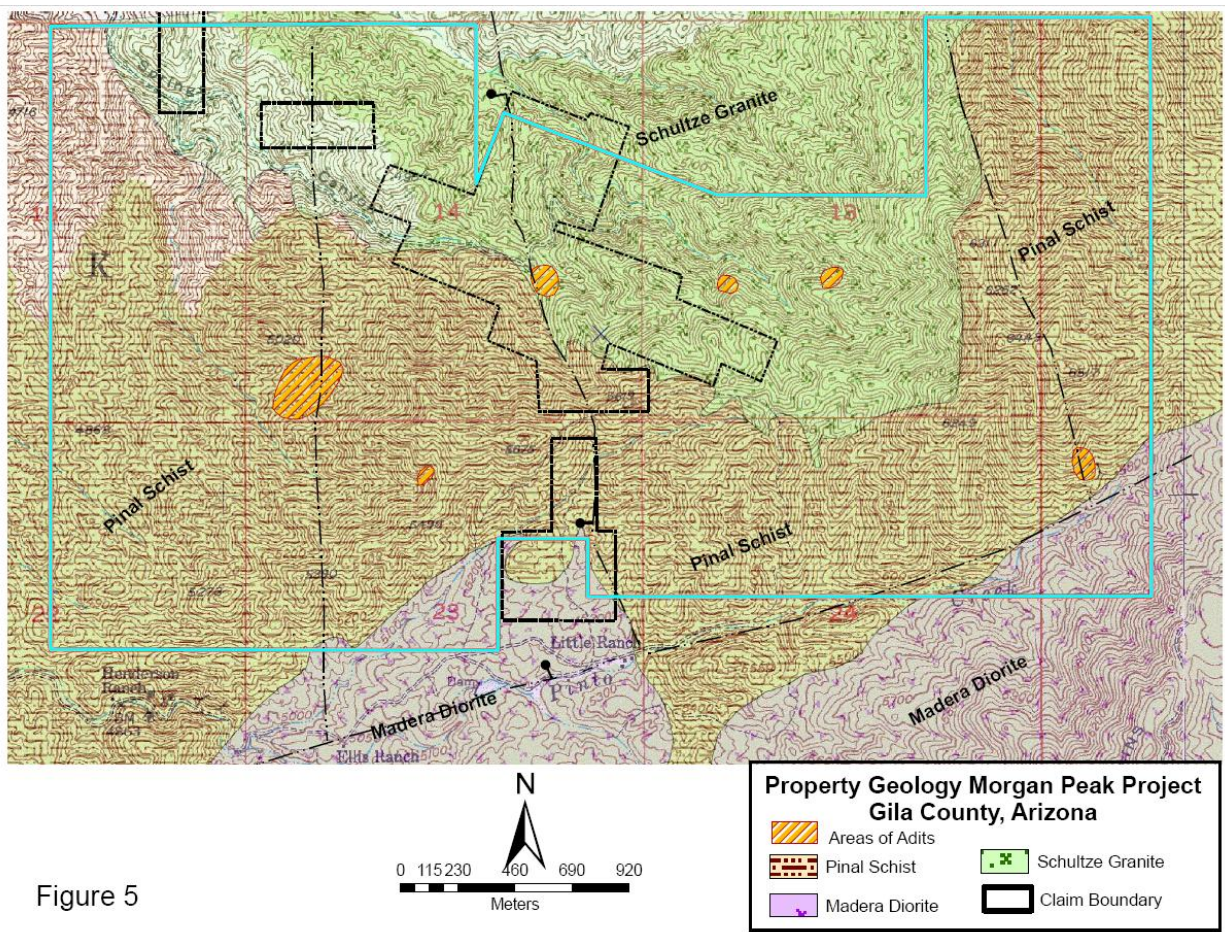


Figure 5

Structure

Pre-Laramide Structural Elements

The Pinal Schist has undergone at least two episodes of foliation, the first of which occurred during the Mazatzal orogeny (~1650 Ma). Folding has occurred on a regional and local scale within the district and property. The Madera Diorite has no visual foliation or gneissic texture. Most foliation of the schist is fine-grained and occurs along bedding planes. The dominant grain of the schist trends northeast. Most of the faults, fractures and strongest joint sets both inside and outside the mineralized area trend northeast. The dominant dips are southeast and

northwest. The age of these brittle structures are uncertain, but the orientation of the above mentioned elements indicate that they are probably long lived and controlled some Laramide and post-Laramide structures that are discussed below.

A local anticline was mapped by Humble's geologists. It is located in the west-central portion of the property. This anticline strikes northeasterly and plunges to the southwest. It is truncated by a north trending post-mineral fault (Santa Anna Fault). Much of the historic drilling resource is located along the north and south limbs of this anticlinal feature. It is possible that this anticlinal feature is part of the Laramide intrusive event and therefore part of the next section. The anticline may have formed during the Laramide intrusion when the Pinal Schist was squeezed between the Schultze Granite and the Madera Diorite.

Laramide Structures

The most noteworthy structural feature thought to be Laramide age is the stockwork, shearing and mineralization associated with emplacement of the Schultze Granite. The Schultze Granite is actually a multiphase intrusive. Locally, the intrusive ranges from a quartz monzonite to quartz monzonite porphyry. A zone of quartz-sericite-pyrite alteration and coincident stockwork quartz-sulfide veining occurs over roughly 3050 m (10,000 ft) in length by 1525 m (5,000 ft) in width. The zone is elongated eastnortheasterly along the dominant structural trend. Mineralization is hosted mainly in the Pinal Schist with lesser amounts contained in the Schultze quartz monzonite porphyry and Madera Diorite. The weak to moderate alteration at surface has been explored with wide spaced shallow drilling that confirms the existence of copper oxide and chalcocite over widths of 6 to 37 m (20 to 120 ft) in thickness. Within this zone higher grades of copper (+1%) have been intersected locally in workings and drill holes, leading to speculation of further structural enhancement of grades by one or more syn to post- Laramide structures.

At least three breccia pipes have been mapped on the west side of the property. The "pipes" are composed of rotated and rounded clasts of schist and porphyry partially suspended in rock flour composed of milled porphyry. Although no significant mineralization is noted within the breccias, historic workings exploring copper oxide occurrences surround the pipes. Only two holes have been drilled in proximity to the pipes.

Post-Laramide Structure

Past exploration and recent geologic work in the area indicates the entire district has undergone extension during the early to middle Miocene. This extensional movement caused low angle faulting with later rotation and tilting of the fault blocks. This event has left several mines with floors to the mineralization. Within the property it appears that a well developed porphyry copper alteration system is laid on end with a possible tilt of 50 degrees or more to the east. This rotation has partially unroofed the system exposing the "barren" potassic core. The general trend of the mineralization mimics the northeast structural trend of the district and the regional trend of porphyry deposits as depicted on the Figure 2. This relation suggests the northeasterly trending mineralization may follow a preexisting, long lived corridor of structural weakness. At least three northerly trending structures have been identified within the property boundary. Near the center of the property, a high angle shear zone, locally named the Santa Anna Fault, has offset the porphyry system. The strike is roughly north-south with a reported dip of 65 degrees to the west. Movement appears to be dip slip with normal movement, causing the western section to drop down, preserving a substantial thickness of Pinal Schist and truncating the Schultze Granite on the east side. This shear zone ranges from 30 to 150 m (100 to 500 ft) wide. Two drill holes, Kerr McGee KM 9 and Humble drill hole CS 27, explored this fault. KM 9 had to be repositioned at least four times due to poor recoveries and bad drilling conditions. Both holes encountered significant zones of low grade oxide copper that transitioned into chalcocite enrichment, then chalcopyrite. A third hole was drilled adjacent to and parallel with the Santa Anna fault zone (KM A12). The hole remained within the Schultze Granite the entire way. Reported recovery of the core was poor, averaging ~50% for the entire hole. Copper sulfides were encountered below 61 m (200 ft).

A northerly trending structure in the eastern part of the property, referred to as the Ellis "Vein", also dips westerly at 60 to 70 degrees. Movement on the fault is not as readily apparent as the Santa Anna, but is suggestive of both strike slip and dip slip because of the apparent offset of the Madera Diorite at the south end. An adit and four drill holes have encountered oxide copper to nearly 61 m (200 ft), followed by chalcocite, then chalcopyrite. A company report by Blucher indicates increasing alteration in several drill holes surrounding the structure. Two of the holes ended in increasing copper grades, one with 0.21% over 1.5 m (5 ft) and another with 0.78% over 1.9 m (6 ft). A 1969 IP

survey also indicates a significant anomaly surrounding the Ellis "Vein". A third northerly trending fault is suggested from drilling within the western portion of the property (West Fault). The dip and movement directions are unclear due to the lack of exposure. However, drilling within the area indicates a demarcation of copper values in various drill holes along the proposed trend of the fault. Drilling within the suspected fault zone has identified a thick zone of low grade copper oxide mineralization grading into a mix of copper oxide and chalcocite, then into chalcocite and sulfides. Drilling to the west has failed to intersect any significant chalcocite to date, while drilling to the east has encountered a moderately thick chalcocite blanket with only minor copper oxide minerals above. Numerous workings west of the proposed fault zone explore copper oxide mineralization along bedding planes. Copper bearing springs also occur to the west of this fault zone. It is currently hypothesized that the fault may have dropped the western side down as indicated along the Santa Anna fault. If so, drilling on the west side may not be deep enough to intersect the chalcocite zone.

The apparent increase in chalcopyrite within structural zones and adjacent wall rocks suggests the fault zones may represent long lived structures open during the Laramide and possibly reactivated in the Miocene.

Easterly trending shear zones have been identified by mapping and drilling within the property boundaries. These faults exhibit substantial shearing of the Pinal Schist with oxidation products of iron and copper at surface. The zones of faulting range from 30 to 150 m (100 to 500 ft) wide and can be followed for at least 1220 m (4,000 ft) on surface before becoming lost in soil and talus cover. Drill holes penetrating these faults have encountered thick intercepts of oxide copper overlying relatively thick intervals of chalcocite similar to the northerly trending faults described above. The easterly trending shears generally have southerly dips and may have strike-slip movement. The structures appear to have less chalcopyrite at depth and overall copper grades are lower than within the northerly trending faults.

The above mentioned post-Laramide fault zones weather recessively. The surface manifestations of the easterly and northerly faults are drainages. Drilling and road building have helped with identification since outcrops are rare. As will be discussed in the "Exploration" and "Deposit Types" sections, MinQuest geologists consider both fault sets to be in part, post-Laramide in nature since they appear to cut Laramide age rocks. At present, the relationship between the Miocene extensional structures and the high angle shear zones is not apparent. However, the apparent relationship to thicker zones of mineralization starting at or near surface, is evidenced by late secondary migration of metals along these shear zones, either by gravity from an uphill source or from a deeper source of mineralization.

To summarize, the dominant trend or strike of the Laramide age structure is eastnortheasterly following a district wide and regional trend. Additional trends include syn to post-mineral northerly and easterly shears that appear to cut all rock types described above. Dips on these structures are reported to range from southerly through vertical to westerly depending on orientation.

Deposit Types

The Morgan Peak mineralization is considered to have developed within a classic porphyry copper alteration system by most geologists. At least since the Kerr McGee program, exploration on the property has been largely conducted for a blanket type copper oxide/chalcocite zone amenable to open pit mining and/or in-situ leach. This model was largely driven by ongoing exploration and exploitation of the nearby Bluebird mine where Ranchers Exploration started with an in situ leach, then pioneered the first commercial leach operation using a solvent extraction/electrowinning (SX/EW) process for the recovery of copper.

The geologic characteristics of Morgan Peak that identify it as a porphyry-type copper prospect are typical of many other Laramide porphyry copper deposits in Arizona. The cogent features are as follows:

- Concentric zonal patterns of alteration ranging from an inner potassic zone, a quartz-sericite-sulfide (phyllic) zone, pyritic zone, and an outer propylitic zone surrounding a porphyritic quartz monzonite stock emplaced along a deep seated structural zone;
- Mineralization appears to be genetically associated with a multiphase quartz monzonite to porphyritic quartz monzonite intrusion;

- Copper and molybdenum sulfides dominate the primary economic mineral suite;
- Sulfides typically have a homogeneous distribution as disseminations or stockwork/crackle fractures/veinlets within the Precambrian Pinal Schist and adjacent porphyritic quartz monzonite;
- Mineralization has gradational distribution especially to the south and west;
- Local sheared and brecciated zones host spotty mineralization with a direct relationship between degree of fracturing and the intensity of sulfide mineralization;
- Chalcopyrite grades typically average less than 0.3% and overall molybdenum grades average less than 0.02%.

Within the above criteria, numerous drill programs by exploration groups have identified a broad area of oxidation and enrichment of copper minerals which overprint parts of the potassic, phyllic and pyritic alteration zones. The previous drill programs have outlined two significant areas of chalcocite and copper oxide mineralization with reasonable drill density. These two areas are referenced in this report as the Ellis "Vein" (east part of property) and West Lobe (west part of property). The enriched "blankets" of copper are near surface and of sufficient thickness to warrant additional testing of its economic viability (i.e. equal to or less than 3:1 strip with >0.3% grade).

Table 2 highlights the various grades and thicknesses of copper intersected by previous exploration companies. Figure 5 depicts the location of the same drilling in relation to the alteration. Based largely on these criteria, Morgan Peak represents a porphyry-type copper-molybdenum prospect with a near surface chalcocite/copper oxide blanket. Current geologic opinion favors this theory, but there are differences of opinion regarding genesis of the near surface mineralization.

The Toro Resources exploration program will be aimed initially at further exploration and definition drilling within the currently known bounds of the alteration system. This program may be designed to extend the known mineralization on the western side to the south and east in order to increase the known area of near surface copper oxide and chalcocite mineralization.

Additional exploration funds may also be employed to identify a deep seated economic ore body underlying the known area of alteration and mineralization. Thus far, deeper exploration drilling in the area of the east chalcocite zone have identified a reported increase in alteration and grade with at least one hole (M-4) ending in 0.78% copper over 1.9 m (6 ft). To date, no drilling has tested the underside of the phyllic core for additional sulfide mineralization. This target and the mapped breccia pipes to the west reflect potential for a deeper source of metals underlying this large alteration system.

Toro's exploration model for Morgan Peak is based on the current trend toward leaching and SX/EW processing of chalcocite and copper oxide minerals. The program takes advantage of relatively recent advances in modeling post-mineral structural development of the district. The recent discovery of the Resolution copper deposit at the Magma Copper Mine (currently owned by BHP) at Superior, Arizona, about 13 km (8 mi) west of Morgan Peak (Figure 2) suggests all porphyry systems in the general area should be reviewed for deeper potential.

The economic model for leachable copper has changed over the last thirty years. Most sulfide deposits require large amounts of energy to process the sulfide ores into economic products. Many of the larger mines in Arizona are undergoing a shift to SX/EW technology where geologic properties permit. This method of relative passive leaching of copper minerals can be economically viable on grades averaging 0.3% copper or less using a cutoff of 0.1% copper. Many of the drill holes within Morgan Peak contain grades equal to or greater than similar properties that are operating within the district (Table 5). The table of drill holes and associated map (Figure 8) indicate a wide sampling of the property has already occurred. Drill spacing is sparse in many parts of the property. Intercepts vary in some parts of the property indicating inconsistencies in grades and thicknesses. The inconsistencies are believed to be due to structure, lithology, shallow drilling, and poor recoveries in past drill programs. Further drilling is necessary to assure that the various intercepts equate to one or more cohesive bodies of mineralization and that the bodies will contain enough tonnage, grade and susceptibility for leaching to be economical.

A secondary target, but equally economic, is a large porphyry copper zone which has been segmented by extension during the Miocene. The eastern portion of alteration and mineralization, known as the East Lobe, is hypothesized as a tilted portion of a porphyry copper system. The system has been tilted at roughly 50 degrees exposing the core of the system. Mineralization should surround the upper part of the core resulting in a preserved mineral-rich zone of chalcopyrite and molybdenite. The best potential for preserved sulfide mineralization should occur below and eastward of the exposed core. Two deep holes attempted to test the protore within the East Lobe. Humble drill hole CS A was drilled on the southern edge of the Pyritic-Propylitic boundary to a depth of 627 m (2,057 ft). Although the hole intersected chalcocite mineralization near surface, alteration and mineralization trailed off after the first 61 m (200 ft). The summary log suggests the hole pierced the Pyritic zone then transitioned into the Propylitic zone at about 457 m (1,500 ft). The second hole was drilled by Phelps Dodge to a reported depth of 457 m (1,500 ft). The hole was located on the north-central portion of the property. There are no records of this drill hole. At surface the hole was collared at the Potassic-Phyllic boundary. Abundant copper oxides and veining are apparent at surface. The hole may have tested a portion of the root zone of the porphyry system based on the location of the drill hole in relation to the exposed core.

The other half of the bisected porphyry system may have moved to the west along a low angle fault during a period of extension. The West Lobe portion may be represented by a down dropped block of Pinal Schist on the western side of the Santa Anna fault zone. This area contains wide spread quartz-sericite-sulfide alteration associated with chalcocite and copper oxide mineralization. Deep drilling has not taken place within this block faulted segment. However, numerous holes have penetrated the chalcocite blanket and entered a zone of low sulfide content within the Pinal Schist. There is an apparent increase in alteration and mineralization in drill holes within the north and east portions of this zone. This increase may be due to the Santa Anna Fault.

A third faulted block is hypothesized further to the west. The third block is marked by a sudden decrease in the chalcocite blanket and an increase in copper oxide mineralization in various drainages through out the area. Several small to medium size breccia pipes have been mapped in this area. The breccias appear to be devoid of mineralization, but are encircled by shallow adits, shafts and pits exploring copper oxides occurring along bedding planes and faults. Humble hole CS B penetrated to a depth of 454 m (1488 ft). It is located approximately 365 m (1200 ft) east of the larger breccia pipe exposure. This hole contained copper oxides from about 9 to 18 m (30 to 60 ft) in depth then transitioned to chalcocite to a depth of 30 m (100 ft). Beyond this point, weak chalcopyrite-molybdenite mineralization was intersected averaging less than 0.15% copper and 0.01% molybdenum. Humble believed that hole CS B provided an adequate test of mineralization associated with the breccia pipes. Mapping of the oxide copper showings in conjunction with alteration within the western portion of the property may provide further understanding of the relationship between the breccias, oxide copper showings and faulting.

Mineralization

The known copper mineralization of economic interest in the Globe-Miami District occurs along the margins of a large multiphase intrusive, ranging from quartz monzonite to porphyritic quartz monzonite. The porphyritic phase of the intrusive is spatially related with nearly all of the mines in the district (Figure 4) and forms the northern portion of Morgan Peak. The distribution of copper and molybdenum sulfides is most conveniently described as an inner "barren" potassic core, a mixed potassic-phyllic zone, a pyritic zone, and an outer propylitic zone (Corn, 1992). The general pattern of alteration can be roughly delineated outward in concentric rings of potassic, phyllic, pyritic and propylitic mineral assemblage best identified in the East Lobe of the property as shown on Figure 6. The alteration types and zoning pattern are in keeping with the porphyry copper-molybdenum deposit model (Sillitoe, 2010) Data used to define the boundaries of the various zones comes from compiled historic and recent drilling, mapping, soil and rock geochemical surveys, and geophysical surveys.

Inner Potassic Zone

The inner "barren" potassic core is characterized by low sulfides, flooded with feldspar and secondary biotite, and cut by occasional to close spaced quartz veinlets. Copper grades are believed to be low in this zone, although no drilling has been undertaken within the potassic core. Copper oxides have been observed at surface circling the reported margins of the core during several generations of mapping. The dimensions of the core are roughly 762 m (2,500 ft) in an east-west orientation and no more than 245 m (800 ft) in a north-south cross-section. It is exposed

and visible within the eastern lobe of alteration. It has presumably been exposed by a combination of faulting described above and erosion after being uplifted and tilted 50 degrees or more to the east.

"Potassic/Phyllic" Zone

Potassic and phyllic alteration comingle with pervasive local silicification resulting in a halo surrounding the potassic core. Both types of alteration occur together forming an indistinct boundary best defined by microscopic investigation. In the potassic-altered porphyry, secondary orthoclase and biotite occur in veins that sometime extend far beyond the potassic zone. Secondary biotite is reportedly found as shreddy masses and primary biotite has been degraded to muscovite and clay. The sulfide mineralization is frequently associated with quartz veinlets encased with potassic feldspar.

The phyllic alteration is characterized by quartz, sericite, and pyrite either individually or together in veinlets and quartz veins. The alteration zones have been mapped from drill hole logs, surface geochemistry, and geologic mapping. Copper has been noted at surface as copper oxide and in drilling as copper oxide, chalcocite and chalcopyrite-molybdenite.

The potassic/phyllic zone extends away from the core on the east portion of the property for 305 to 457 m (1,000 to 1,500 ft) around the north, east and south sides of the potassic core. On the west side the core is truncated (down dropped) by the Santa Anna Fault. Quartz-sericite-pyrite alteration extends 1371 m (4,500 ft) southwesterly from the Santa Anna Fault and is over 915 m (3,000 ft) in width. The combination of the East and West lobes is roughly 3200 m (10,500 ft) in an east-northeast direction and about 1371 m (4,500 ft) in a north-northwest direction.

Other metals are reported in drilling from the Phyllic zone, mostly at trace levels. These include zinc as sphalerite, silver, tungsten (as scheelite), and molybdenum as molybdenite. Silver is typically less than one ppm. Tungsten occurs in sporadic, minor amounts, >650 ppm over 1.5 m (5 ft) within the western portion of the property. It may occur elsewhere, but no geochemical data are available to confirm this fact. Molybdenum values range from less than 10 ppm to over 5,000 ppm from drill intervals around the Ellis "Vein". Gold values are also reported in drilling from this area (>0.02 opt, 0.75 g/t).

Sulfide Mineralization

Chalcopyrite-pyrite ratios are indicated as 2:1 in available reports. Average protore is estimated as 0.10 to 0.30% copper making this a low sulfide system. The majority of the protore intersected is hosted within the Pinal Schist. Protore intersected within various portions of the porphyry are significantly higher grade. This is probably due to preferential drilling within and adjacent to fault zones identified in Section 7.2.2. On the other hand, several porphyry copper deposits within the Globe-Miami district have been hosted within the porphyritic phase of the Schultze Granite. Most of the drilling within the property has been within the Pinal Schist. The schist is generally deficient in sulfides when unaltered. Most of the drill holes (68 of 75) have been less than 214 m (700 ft) deep and average about 122 m (400 ft) in depth when the deep holes are included. Two deeper holes drilled by Humble were drilled within the pyrite zone and remained in the Pinal Schist. These holes intersected modest amounts of sulfide mineralization comprising an average grade of less than 0.1% copper. This is due to collaring in the pyrite zone adjacent to the propylitic zone (see Sections 9.3 and 9.4). Hole CS A was drilled to 627 m (2,057 ft) and hole CS B penetrated to 454 m (1488 ft).

The single Phelps Dodge hole was collared in an altered and mineralized porphyry near the Potassic-Phyllic boundary. Unfortunately, there is no available data for this hole. Two holes drilled in the vicinity of the Ellis "Vein" reached 240 m and 222 m (787 and 726 ft) respectively (M-2 and M-3). These holes encountered increased alteration and sulfide mineralization based on available logs. This may represent the upper portion of a mineralized porphyry system or may be due to their proximity to the Ellis "Vein".

A geologic model based on the known stratigraphy and structural relationships of the district provide a template indicating where the Morgan Peak mineralization may fit. The abundance of copper within younger structures, a tilted core, geologic mapping, alteration, evidence of breccia pipes, indications of increasing alteration and sulfide content in drilling, and geophysical surveys all suggest a potential for economic sulfide mineralization at depth within the property boundaries. Initially, a copper-molybdenum rich porphyry system was developed along the

margin of a porphyritic phase of the Schultze Granite. Subsequently, the system was bisected by faults then tilted during extension. This event peeled off the western portion of the system exposing the core. The western portion moved westerly and was down dropped along the Santa Anna, and again west of the West Fault. Oxidation and erosion of the exposed mineralization surrounding the core of the system caused copper rich fluids to migrate downward developing a chalcocite enriched zone near surface.

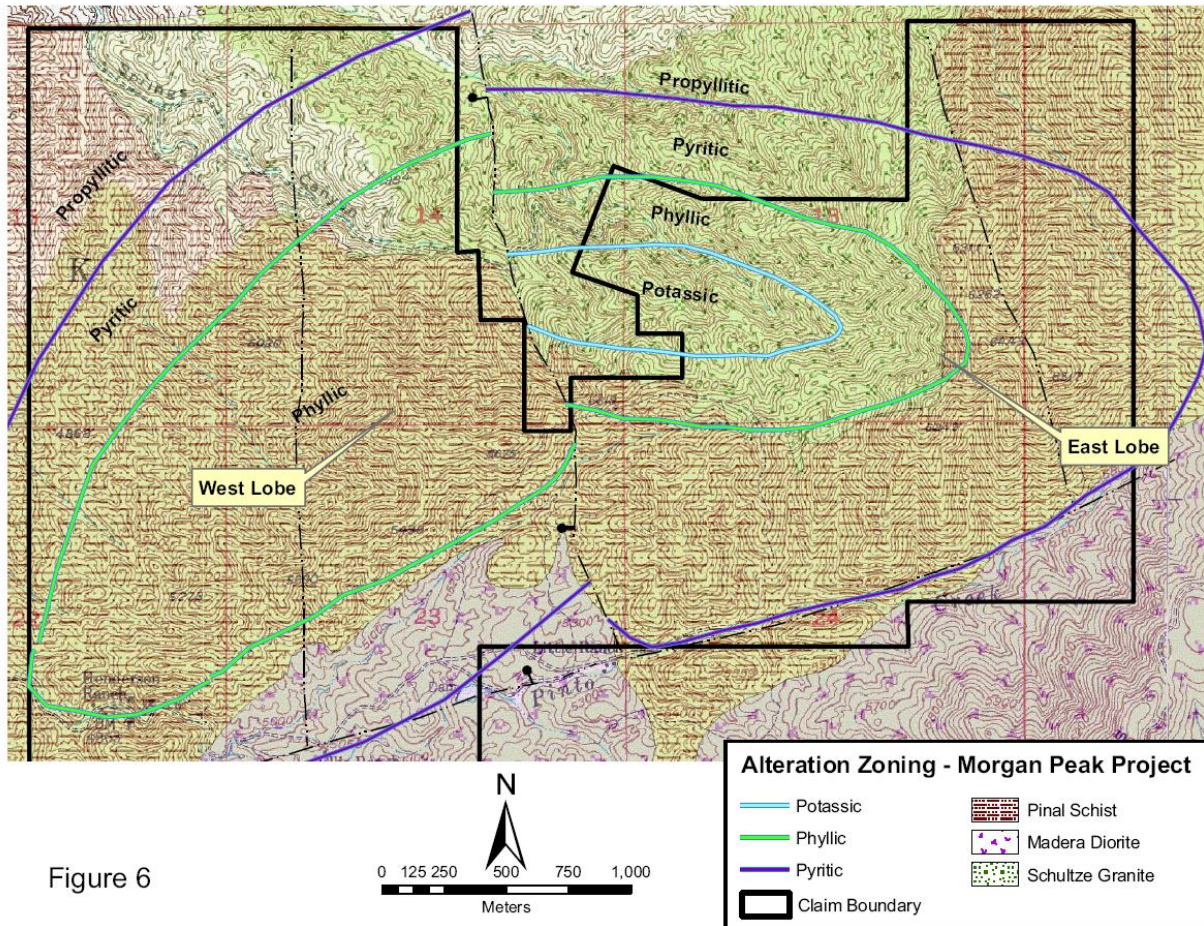


Figure 6

An intact sulfide rich porphyry system surrounding the upper portions of the core may exist. This portion of the system remains undrilled. Since the system was bisected, two potential areas of exploration exist. The most straight forward target lies within the East Lobe where a potassic core has been unroofed. The area marginal to this core has seen little drilling. Most of the drilling has either been shallow testing for chalcocite with a single hole testing the pyritic zone and entering the propylitic zone. The western portion of the bisected system appears to lie to the west. Alteration of the West Lobe coincides with this theory. Deep testing along the southern portion of the West Lobe remained in propylitic alteration. Shallow drilling generally encountered sulfide deficient Pinal Schist.

Chalcocite/Copper Oxide "Blanket"

Supergene enrichment within the potassic/phyllic zone has created a "blanket" of higher grade copper at or near the water table. This style of mineralization is almost completely hosted within the Pinal Schist as defined by present drilling. Copper minerals have leached from surface mineralization and migrated downward, depositing on fresh pyrite and chalcopyrite that were preserved below the water table. This process increased the available copper within a sub-horizontal bed that typically subparallels the topography. Kerr McGee and Humble report that the copper grades increased 3.5:1 to 4:1 by the above described process (Fitzgerald, 1964; Burton, 1969). The twinning of both Kerr McGee and Humble holes by American Copper's drill program appears to confirm this reported increase by supergene enrichment (see Table 2).

"Pyritic" Zone

Pyritic alteration is readily visible to the eye with brown and red iron oxides at surface. The pyritic halo contains only minor secondary orthoclase veins and no secondary biotite. Pyrite is the dominant sulfide mineral with pyrite-chalcopyrite ratios in the 10:1 range. Few quartz sulfide veins are noted. Pyrite and quartz sulfide veins become less frequent until they diminish completely. Supergene enrichment takes place within the pyrite zone as copper solutions coat and replace pyrite. As a result, copper grades are significantly less within this zone of alteration.

Minimal drilling within the pyritic alteration zone has shown the chalcocite development to be weak, low grade and thin. Average grades and widths from drilling within this zone range from 10 feet of 0.1% to 30 feet of 0.17% copper mainly as chalcocite. Copper oxides have also been noted at surface in historic workings. No drilling has taken place within the clustered copper oxide workings of the West Lobe.

Outer "Propylitic" Zone

The Propylitic-Pyritic boundary coincides with a dominance of propylitic alteration. The alteration mineralogy is characterized by weak chlorite and epidote alteration in the Pinal Schist. Mineralogy of the Madera Diorite and Schultze Granite appear to be virtually unchanged. No economic copper mineralization has been identified within the propylitic zone. However, sparse disseminated copper oxides have been noted in the propylitic zone within the Schultze Granite on the northern part of the property. Also, small, possibly dismembered portions of the Phyllic and Pyritic zones occur displaced from the main body and are surrounded by propylitic altered rock along the southwest portion of the property.

The outside margin of the propylitic zone is gradational and disappears over a distance of 762 to 1220 m (2,500 to 4,000 ft) from the Propylitic-Pyritic boundary. The overall oval shape of the outer alteration zone is over 6.5 km (4 mi) in length east-west and 3.2 km (2 mi) in width north-south.

In summary, the known mineralized zone at Morgan Peak is elongate along an eastnortheast trend with the porphyritic quartz monzonite intrusion occupying the northeastern portion of the alteration zoning pattern. A supergene copper zone of +0.25% ("blanket") occurs coincident with a zone of potassic/phyllic alteration with poorly defined dimensions of roughly 3200 m (10,500 ft) long by 1371 m (4,500 ft) wide. The blanket mineralization is relatively shallow and sub-parallel the topography. A thickening of the supergene blanket occurs within shear zones striking both north and east. These shears contain oxide copper minerals with marginal grades averaging 0.17% overlying thick sections of chalcocite mineralization averaging greater than 0.3%. The marginal grades of copper oxide material would add to the tonnage and reduce stripping in the event this property was deemed minable. Potential for a deep sulfide target has been noted by previous exploration groups. Drilling in the southeastern portion of the property has identified sulfide copper mineralization with increasing alteration intensity in several drill holes. This area corresponds with the upper portion of a hypothesized porphyry system based on alteration haloes and tilting. Breccia pipe development in the western part of the property may indicate additional deep potential for a blind porphyry copper deposit.

Exploration

In the summer of 2007, ACCO-MinQuest hired Zonge Engineering to complete an IP survey consisting of two lines on 250 m (820 ft) dipole centers. The two lines crossed the western lobe of mineralization and the southernmost line also covered a portion of the western breccia pipe. Geologic mapping was undertaken during the same period to confirm the evaluation of previous exploration companies. All previous work took place prior to 2001 and, as such, is historical.

ACCO's exploration programs at Morgan Peak were managed and conducted by the MinQuest geology staff including Herb Duerr and experienced professional consultant geologists. This work consisted of drilling, which is summarized below, and geologic mapping. The mapping added detail to historic geologic maps, including verification of a North-South structure which appears to offset local stratigraphy as well as the mineralized enriched blanket. Consequently, this large fault, which is indicated on Figure 5, is a potential drill target for future exploration. Toro will oversee future exploration, including the work proposed in this report. To date, Toro has

commissioned ground survey control, air photos and currently 1 meter contour maps of a key, but large part of the claim block, in order to support further mapping, geologic studies, more drilling, geologic modeling (3D imagery is also supported) and future engineering design and construction. Additionally, detailed geologic mapping and evaluation by an independent consultant commissioned by Toro indicates the presence of a potential mineralized target zone of over 3 kilometers length and the definition of three zones suggested for more detailed future reconnaissance work. (Pratt, 2010). Warren Pratt spent ten days on the property for field mapping in preparation of his summary report. He also prepared structural and alteration data bases for the Morgan Peak Property. Pratt's evaluation essentially confirms earlier work in suggesting that the enriched blanket is the primary target. Pratt recommends continued infill drilling within the east and west lobe targets, much as already proposed by Toro's Phase I exploration plan. Additionally, Pratt interprets the genesis of copper mineralization to be a set of high angle greisen veins bearing primary copper sulfide minerals. If this interpretation can be proven correct, then these high angle veins may become secondary exploration targets during Phase II or later exploration.

The expenses for the recent (2007-2008) IP geophysical survey and 14 core holes are summarized below.

Table 2	
Cost of 2007 to 2008 Work - Morgan Peak Property	
IP geophysical survey	\$47,500
Drilling, core splitting and assaying	\$433,658
Geophysical interpretation	\$12,388
Total	US\$483,536

IP Geophysical Survey

In the summer of 2007, Zonge Engineering of Tucson, Arizona conducted an IP survey consisting of two lines. The data was interpreted by Fritz Geophysics of Loveland, Colorado (Fritz, 2007). The IP lines were run at a north 60° west attitude to cut known structural trends. The IP lines were approximately 2,000 m(6560 ft) long each, with a dipole spacing of 250 m (820 ft). The survey was designed so that the first line tested a set of drill holes with positive results, and the second line tested the southerly portion of the property where little drilling had been completed, but alteration mapping suggested potential. The interpretation summarized below is from the Fritz report describing a 1969 IP survey that he reinterpreted covering the Ellis "Vein" area and comparing it to the new lines on the west.

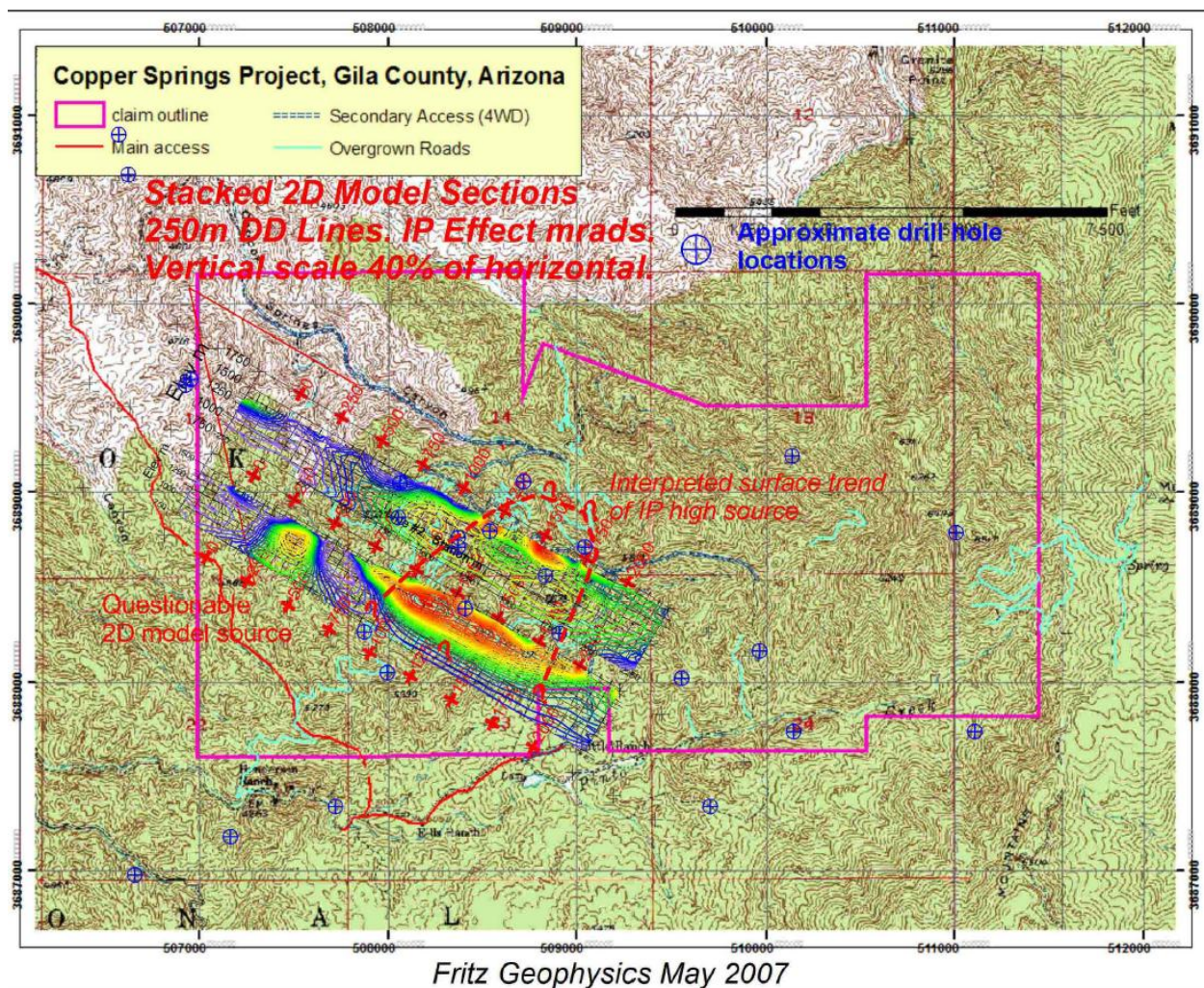
".....Heinrichs Geoexploration Co. collected six lines of dipole-dipole IP lines to the east of the current property in September 1969. The locations of these lines are not well known but both the eastern and Copper Springs targets are interpreted to be a down faulted block of the same type of Copper oxide mineralization. The resistivities on the six lines show limited contrasts with probable topographic effects. The schist and granite hosts would be expected to have similar resistivities. The oxide mineralization is probably not a sufficient volume percent to significantly alter the host resistivities.

The IP effects for the older six lines were measured as PFE's from 0.1 to 3.0 Hz. The conversion factor from the PFE's to the current survey mrad's should be about $PFE \times (6 \text{ or } 7) = \text{mrad's}$. The largest measured PFE's were typically 13 to 15 with some erratic and possibly noisy values up to 28. Consequently, typical PFE highs would equate to about 80+ mrad's. The highest measured mrad's in the current survey were about 47. This would suggest a source with about 1/2 the values of the eastern survey.

The current two lines show much the same resistivity contrasts of the eastern survey, also with the significant topographic effects. The IP effects are also similar but with lower magnitudes, in the area surveyed. The attached figure shows the property, the IP line locations, the stacked 2D model sections for the two IP lines, and an interpreted rough outline for a source at a depth of less than 100m. The 2D models show a possible bottom to the IP source that is probably not reliable. The source is open to the southwest and the IP effects are increasing to the southwest.

The two lines of IP-Resistivity outlined a significant IP source at a shallow depth that appears to be improving to the southwest but may have been tested by at least one drill hole. Additional IP-Resistivity lines would be needed to completely define this target source."

After ACCO's drill program was completed, a review of the IP and resistivity data was conducted. The nearest drill holes to each IP line were plotted on the IP and resistivity pseudo-sections compiled by Fritz (Figure 7). The results along line 1 of the IP survey identify the known mineralization with coincident IP and resistivity highs. Line 2 indicates an open ended zone of mineralization widening and increasing in intensity to the south and west as identified in Figure 7. This is corroborated by sparse drilling. A separate IP response near the end of line 2 coincides with a mapped breccia pipe. The geophysical survey suggests significant structural disruptions where IP responses drop off dramatically. These proposed structures agree in part with structures mapped by previous exploration groups and interpreted from drilling. Drilling results near these structures indicate a deepening of oxidation as the structure is approached from each side. These structures represent targets in their own right due to thicker intervals of mineralization that generally occur from surface to depths of 52 m (170 feet) or more.



Historic Geological Mapping Results

The earliest known geological mapping was completed by Miami Copper in 1947. This work and others from 1957 to 1971 have identified a large area of hydrothermal alteration within the Morgan Peak area. The alteration is regarded as similar to several nearby productive porphyry copper systems that were being exploited at the time the

mapping was conducted. Most of the mapping enterprises ended in a positive report and at least one round of drilling in spite of segmented land ownership.

After Miami Copper mapped and drilled five holes, Consolidated Uranium, Incorporated, drilled three underground drill holes testing the viability of the Ellis "Vein" in 1957. Bear Creek entered the property in 1962 and carried out a mapping and sampling program of the West Lobe. Information on this program is second hand garnered from later reports.

In 1963 Kerr McGee obtained the property and mapped, sampled and drilled 12 core holes throughout the area during two campaigns. In 1967 the property was leased by Kerr McGee to Phoenix Ventures. The group reportedly drilled as many as 25 short BX holes, mostly on the north slope of the western lobe. At the same time, Phelps Dodge drilled a single deep core hole on the northern portion of the property. No data is available on either program. However, the deep Phelps Dodge hole was located and it is likely that the various drill holes completed by Phoenix Ventures were placed along a series of switchbacks located below holes CS 0804 and 0805. Also during this period, claims were held by E&E Management and four core holes drilled around the Ellis "Vein".

In 1969, Humble Oil and Refinery (later known as Exxon) obtained the property, mapped and sampled it, and then drilled 32 holes scattered throughout the current property position. Humble's program consisted of an initial 22 churn holes primarily located for validation of mining claims. An additional ten holes were drilled to provide coverage on 245 m (800 ft) centers throughout the main area of reported resource by Kerr McGee. The last ten holes were drilled using a combination of churn and core. In 1971, Cities Service examined portions of the property, during which they mapped, sampled and summarized the Ellis "Vein" area. Since that time, little known substantive work took place until MinQuest.

2008 Geological, Structural and Alteration Mapping

In January of 2008, MinQuest completed a detailed geologic evaluation of the property to prioritize the drill program. David Eastwood completed detailed outcrop mapping, alteration and structure for the western half of the property. Mr. Eastwood used limonite concentrations in conjunctions with fracture intensity and alteration type to estimate potential copper content at depth. This work indicated substantial potential for the south side of the West Lobe mineralization, essentially doubling the footprint of the mineralized zone. This work corroborated the IP interpretation by Fritz indicating increasing potential to the southwest. The last historic report written by Humble Oil indicated the south and west areas were closed off to further expansion by negative assay results in several drill holes in the vicinity. The author of the Humble Oil report based his conclusions on five widely scattered, shallow drill holes that failed to intersect substantial mineralization. Humble's drill holes CS 1, 2, 5, 6, and 20 were used to condemn the southern side of the West Lobe. The holes are spaced on roughly 610 m (2,000 ft) spacing. Most of the holes appear to be either too shallow to have encountered the mineralization, or in the case of hole CS 20, did intersect a narrow zone of chalcocite at 75 m (245 ft) depth. The report dismisses or ignores substantial intercepts found in a Miami Copper hole and three Kerr McGee holes. MinQuest believes the geophysical and geological work conducted by ACCO sufficiently proves the merit of the southern area as a drill target of continued interest. The other generations of geologic mapping identified some important structural controls for mineralization, including the Santa Anna Fault and an anticline on the western portion of the property as mentioned in Section 7.2.2 above.

Drilling

No drilling has been reported on Morgan Peak between 1970 and 2008 when Acco initiated its drill program. Most historic drill hole locations and the recent ACCO drill holes are shown on Figure 8. The drill results for historic and recent holes are discussed below and included in Appendix 2. The compilation includes all reliable historical drill hole data including mineralized intervals and type of mineralization. Additional planned drilling for Morgan Peak is summarized in section 20.0 Recommendations.

Historic Drilling

The property has undergone historic exploration drilling on two primary targets. Total known drilling for the property is 10,229.6 m (33,561.7 ft). Of this amount, 9054.9 m (29,705.5 ft) are deemed historic. The historic

drilling was undertaken between 1947 and 1971 by at least six separate companies. The bulk of the drill holes were concentrated in two distinct areas referred to in this report as the West Lobe and East Lobe.

The West and East Lobes were initially drilled by Miami Copper in 1947 and 1948. The drilling was conducted with a churn drill to depths ranging from 117 m (383 ft) to 198 m (650 ft) in depth. Five holes were completed on the property for a total of 783 m (2,568 ft). Information on the holes has been summarized in a 1949 report for Miami Copper, a USGS Bulletin 1141-H by N. P. Peterson, and a 1972 company report for Humble Oil. Drill results for CDH 301 include a probable chalcocite zone between 23 and 46 m (75 and 150 ft) in depth grading 0.36% copper and again between 93 and 110 m (305 and 360 ft) grading 0.36% copper. Hole CDH 302 intersected 8 m (25 ft) grading 0.31% between 46 and 55 m (150 and 180 ft) of depth. Hole CDH 305 intersected 12 m (40 ft) grading 0.31% copper. All of these holes were drilled within the Western Lobe. CDH 303 encountered a zone 4.6 m (15 ft) thick of 0.21% copper. CDH 304 intersected an 26 m (85 ft) thick zone of 0.35% copper between 70 and 96 m (230 and 315 ft). It is suspected the hole intersected some oxide and some chalcocite minerals. Both CDH 303 and 304 were drilled in the East Lobe. This was the only previous period of time that both the Ellis "Vein" and the West Lobe were controlled by one company.

In 1957, the Consolidated Uranium Corporation drilled three underground core holes along the Ellis "Vein" in the East Lobe to test continuity and grade of mineralization. The three holes totaled 243 m (796 ft). CUDH 1 and 2 were drilled nearly flat off the back of the Pinal Adit. Hole 3 was drilled vertically about two thirds of the way back from the portal of the adit. The Pinal Adit is 159 m (520 ft) long and explored the copper rich structural zone known as the Ellis "Vein". Adit sampling and drill holes show relatively consistent 0.4% copper values as chalcocite and copper oxides throughout the area. When CDH 304 and the sampling of the adit are included with the above drill holes, an area roughly 305 m (1,000 ft) long by 245 m (800 ft) wide by 26 m (85 ft) thick can be ascertained as a mineralized zone with average grades of 0.40% copper. An additional thick lens of copper oxide material is located immediately above the chalcocite zone. Location maps, drill logs and assays are available from reports by Blucher (1970) and Meritz (1958, 1974).

Kerr McGee picked up most of the current property in 1962 and drilled during 1963 and 1964. The drilling was by core and primarily conducted within the West Lobe and along the Santa Anna Fault. Total footage for the program was 1314 m (4,311 ft) in 12 core holes. Holes KM 1-5, A6, A7, 9 and A12 were located within the West Lobe. KM 8, 10 and 11 were drilled within the East Lobe. The drill results for the West Lobe indicated a significant shallow copper oxide and chalcocite blanket that sub-parallelled existing topography. This drilling provided Kerr McGee with enough information to calculate a non NI 43-101 compliant resource for the property. Kerr McGee intended to develop enough material to in-situ leach. A similar process was underway at the nearby Bluebird mine. The three holes that tested the East Lobe were drilled west of the Ellis "Vein". This drilling identified a copper rich zone near surface. KM 8 encountered the zone near the bottom of the hole and ended in increasing grades with 1.5 m (5 ft) grading 0.14% copper at the end of the hole.

Phelps Dodge drilled a single deep hole in the north-central portion of the property around 1967. No data is available for this hole other than its location. At surface the rock type is porphyritic quartz monzonite. The porphyry is highly altered to quartzsericite- muscovite with abundant quartz and secondary feldspar veining. Abundant copper oxide minerals are noted at surface related to a stockwork of quartz veinlets. E&E Management drilled 4 core holes encircling the Ellis "Vein" around 1969. Cities Service reviewed the property in 1971 and relogged the drill holes (Beaumont, 1971). All holes encountered protore ranging from 0.05 to 0.78% copper. Two of the four holes ended in increasing alteration and significant copper. M-4 ended in 1.9 m (6 ft) grading 0.78% copper at the bottom of the hole. M-3 ended in 0.21% copper. These holes were drilled adjacent to the Ellis "Vein".

After Kerr McGee dropped the main part of the property in 1968, Humble Oil acquired Kerr McGee's property position. Humble drilled an additional 32 holes. Total footage is reported as 2090.8 m (6,859.5 ft) for the 30 shallow holes and 1080 m (3,545 ft) for the two deep holes, with combined total of 3170.8 m (10,396.5 ft). The first 22 holes were reportedly drilled to validate the newly acquired mining claims. A churn drill was used for this process. The additional 10 holes were drilled with a combination of churn and core. Two of these holes were drilled to test the deep potential of the sulfide zone. Hole CS A was drilled within the southwest portion of the East Lobe and encountered 8 m (25 ft) of chalcocite near surface grading 0.34% copper. Average copper sulfide content was less than 0.10% copper. Hole CS B was located within the western edge of the West Lobe. CS B intersected 9 m (30 ft) of oxide copper grading 0.16% and an additional 8 m (25 ft) of chalcocite grading 0.34% copper from 15 to 32 m

(50 to 105 ft). The rest of the hole averaged less than 0.1% copper in the sulfide zone. Booth holes encountered propylitic alteration before ending.

Ten shallow holes were drilled in a grid pattern on roughly 245 m, (800 ft) spacing within previously recognized areas of mineralization outlined by Kerr McGee. Seven of the ten holes drilled intersected significant low grade copper as chalcocite. These holes provided a basis for Humble to estimate a non-compliant in-situ resource of 37 million tons grading 0.26% copper. Humble's drill holes were found to contain substantially less grade than the Kerr McGee drill holes. Humble's final report on the property indicated that extreme care was taken with the drilling. Humble also resampled Kerr McGee's core and reported similar grades within 0.1%. However, there is no data available to ascertain the actual recoveries obtained from Humble's drill program.

Compilation of historical drilling data indicates two distinct areas of mineralization have been defined by drilling within a larger area of alteration. The author feels the drilling is inadequate due to wide spaced holes and lack of data to provide an economic resource assessment. The area between the two reported resources was not tested due to property boundary issues.

Humble reported significant differences in drill results from previous exploration programs. Humble's average drill results are generally 30% lower than Kerr McGee's results. Kerr McGee estimated a potential for 17.5 million tons of material at an average grade of 0.37% copper from 7 widely spaced drill holes, KM 1-6 and A7. Humble's grid drilling brought more definition to the mineralized area. However, the estimated 37 million tons of 0.26% copper is substantially lower grade and larger tonnage. The above estimates are not considered NI 43-101 compliant and are used in this reference only to illustrate the differences between previous exploration efforts. MinQuest geologists believe that drilling results may be skewed by the use of churn drilling and poor recoveries. Humble may also have averaged thicker intervals than Kerr McGee and Miami Copper. It also appears that certain areas within the West Lobe may contain erratic thicknesses and grades based on the differences in drilling results.

In summary, compilation of historic data indicates two specific areas of coincident alteration and mineralization. These areas are referred to as the Ellis "Vein" and the West Lobe mineralized bodies. Historic reports, cross-sections and drill data support the existence of a mixed copper oxide and chalcocite zone that is sub-parallel to topography and partially enhanced or controlled by high angle faults. Sparse drilling between the two widely separated zones of mineralization suggests potential to add to the total area of "blanket" copper mineralization. The total area of potential is defined by a hydrothermally altered zone which extends for 3200m (10,500 ft) east-west by 1371 m (4,500 ft) north-south within the property boundaries. The West Lobe mineralization and the Ellis "Vein" represent approximately one fourth of the total area of mapped alteration. During the 1960's and early 70's when the bulk of the work was completed, the grade of mineralization identified was not economical. The property was further troubled by discrepancies in copper grades between Humble's drill program and other exploration programs. These discrepancies are believed to be due to a combination of factors including poor recoveries, use of a churn drill for portions of the drilling, differences in sampling lengths and averaging errors.

Recent Drill Results

ACCO obtained a position covering the West and East Lobes. After review and compilation of all of the data, a drill program was designed to answer several questions. The drill program was planned to twin two Humble holes and a single Kerr McGee hole. The rest of the drill holes would test areas to the north and west for possible expansion. The drilling would also provide a metallurgical test of copper mineralization to encountered to determine the potential for profitable leach characteristics.

ACCO completed 14 core holes for a total of 1175.4 m (3,856.2 ft) of drilling. The drill program began in late February, 2008 testing the north slope of the West Lobe. The holes tested a supergene enriched zone of copper previously identified by at least four separate exploration groups. The drill program twinned at least two drill holes testing for continuity and grade. Holes CS 22 and KM 4 were twinned (within 3 m or 10 ft) to allow direct comparison of ACCO drill results with those of Humble and Kerr McGee. A comparison of the drilling is as follows;

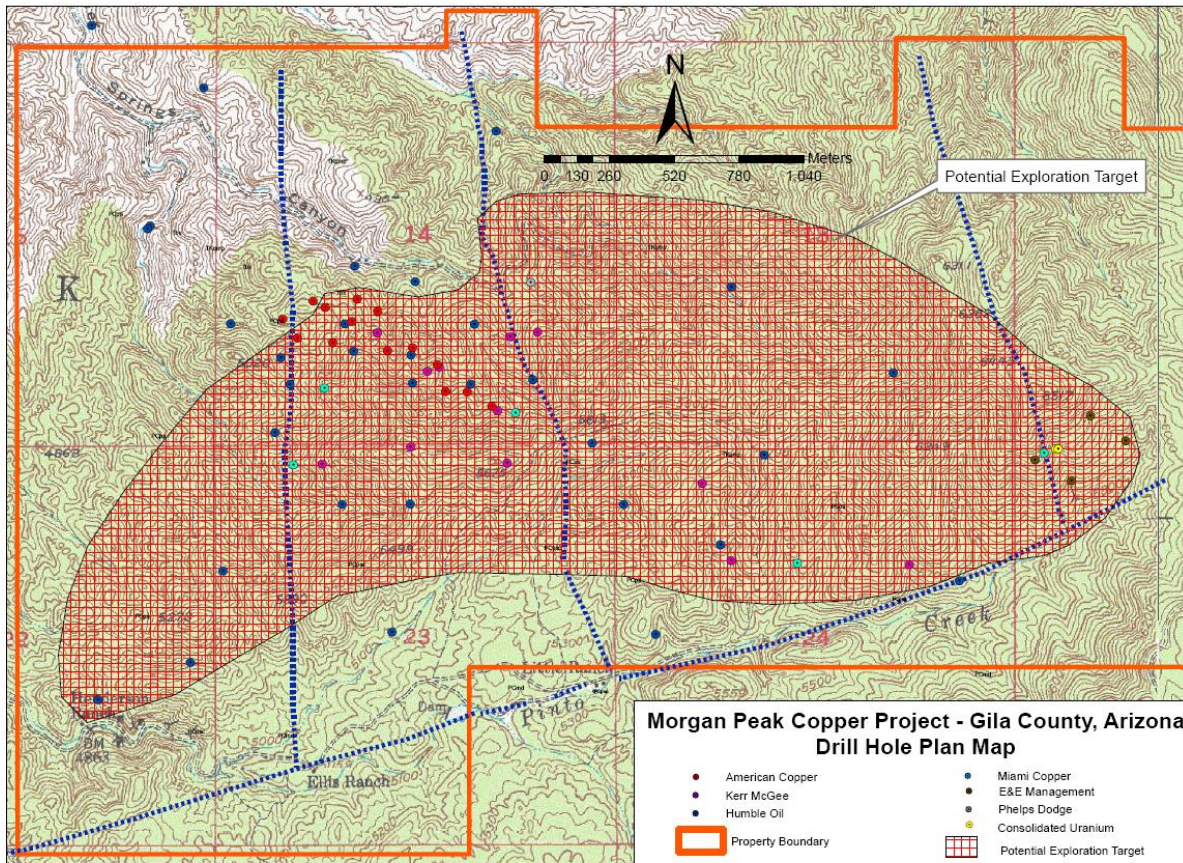


Figure 8

CS 0804 intersected 0.44% copper over 20 m (65 ft) twinning KM 4 with 24 m (80 ft) of 0.40% copper

CS 0807 intersected 0.33% copper over 21 m (70 ft) twinning CS 22 with 24 m (80 ft) of 0.30% copper

Although there are some discrepancies between thickness and grades from historic and recent drilling, the author believes the results are reasonably consistent between the twinned holes and can be reconciled through averaging of assay intervals and length of sample collected.

The ACCO drilling of both CS 0804 and 0807 reported excellent core recoveries averaging 98% for each hole. Other holes with +95% core recoveries include CS 0802, 0803, 0808, 0813 and 0814. All of the above holes encountered significant copper values over similar widths reported in drill holes located within the West Lobe mineralization. Geologists associated with the drilling believe that poor recoveries on certain ACCO holes may have impacted the reported grade and thickness (CS 0805 and 0806). If so, it is reasonable to assume that some of the historic holes may have been impacted by similar recovery problems elsewhere throughout the property. Currently there is no conclusive evidence that directly relates core recovery with grade.

The ACCO program also provided metallurgical data to identify mineralogy and leach characteristics. Some of ACCO's drill program was aimed at expansion of the known mineralization and infill drilling.

Table 3 lists the results for ACCO's drill program and its leaching characteristics defined by pulps derived from the core.

Table 3 – American Copper Drill Results

Hole No.	Depth (m/ft)	Interval (m/ft)	Thickness (m/ft)	Grade % Cu	Leach recovery
CS 0801	62.2/204.0	21-24/70-95	8/25	0.11	86%
		32-52/105-170	20/65	0.13	65%
CS 0802	92.6/303.7	34-40/110-130	6/20	0.50	100%
CS 0803	69.5/228.1	34-48/110-160	15/50	0.54	87%
			Incl. 20	0.87	91%
CS 0804	77.4/254.0	40-59/130-195	20/65	0.44	89%
CS 0805	83.5/274.0	43-53/140-175	11/35	0.21	75%
CS 0806	92.6/303.8	32-34/105-110	1.5/5	0.53	92%
CS 0807	123.1/404.0	52-70/170-230	21/70	0.33	94%
CS 0808	92.6/303.7	4.6-23/15-75	18/60	0.15	106%
		23-47/75-155	24/80	0.36	97%
CS 0809	92.5/303.6	53-61/175-200	8/25	0.12	108%
CS 0810	53.0/174.0	52-53/169-174	1.5/5	0.11	19%
CS 0811	76.5/251.0			NSV*	NSV*
CS 0812	92.5/303.6	41-43/135-140	1.5/5	0.14	43%
CS 0813	91.0/298.7	24-38/95-125	9/30	0.17	100%
		43-50/140-165	8/25	0.15	87%
CS 0814	76.2/250.0	9-15/30-50	6/20	0.32	100%

*NSV – No significant Values

Cross-sections

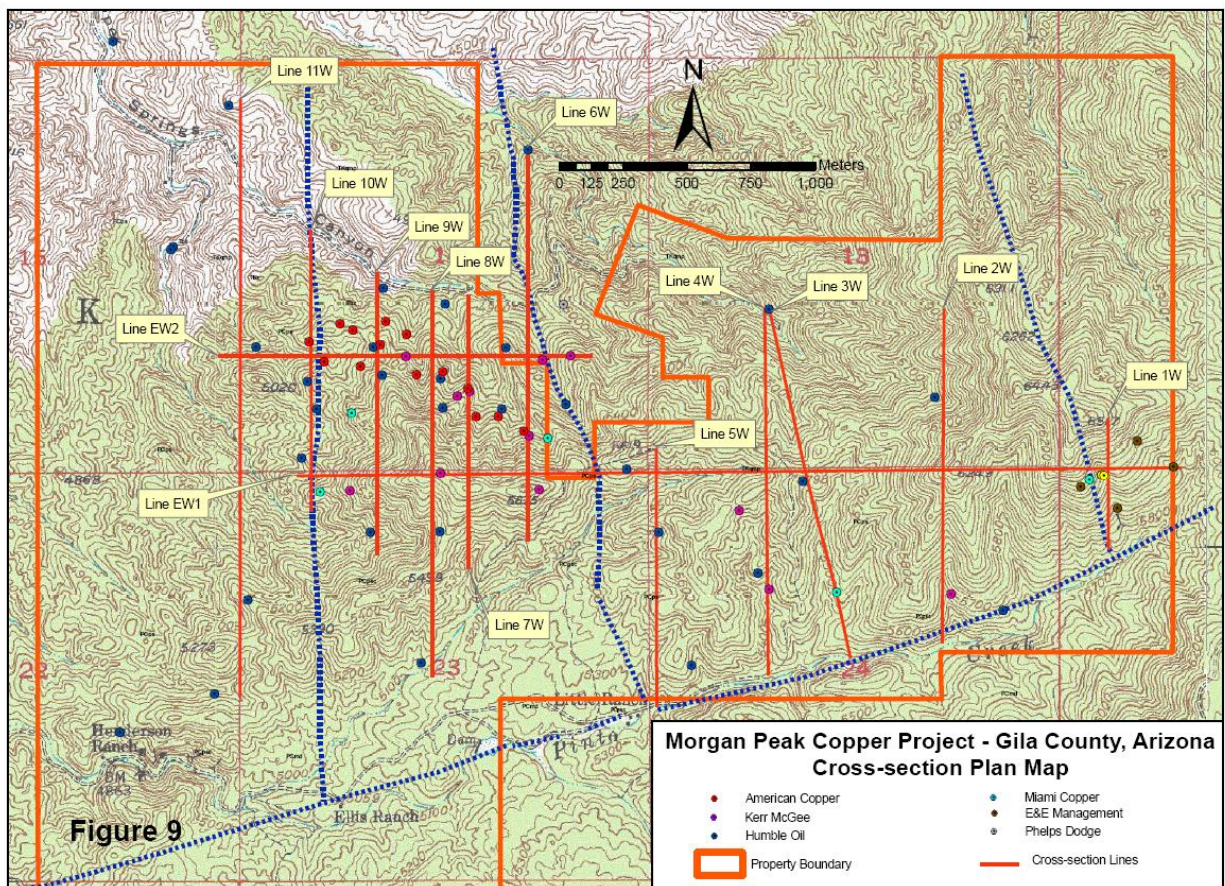
Humble Oil produced a set of cross-sections from drilling of the project area. The company defined a relatively flat lying chalcocite zone that could be projected between drill holes. The sections depicted Pinal Schist bedding as bowed from the mapped anticline. The cross-sections and plan map were based on 245 m (800 ft) spacing throughout the West Lobe area and included only the Kerr McGee and Humble drill holes.

Cross-sections were produced for Toro in conjunction with this report (Figure 9). These sections cover the length of the project area and include all of the available drilling included in Appendix III. The new sections identified the same near-surface "blanket" of chalcocite mineralization identified in the Humble sections. With the addition of more drill holes, it becomes apparent that mineralization is sub parallel to the topography and daylights on the north and south slopes. Fault zones appear to control deposition increasing the thickness of chalcocite mineralization. Within the fault zones additional low grade copper oxide material caps the chalcocite zone reducing the stripping ratio. The cross-sections suggest the chalcocite zone pinches and swells due to lithology and structure. The addition of copper oxide material reduces the stripping in certain areas. The East Lobe mineralization contains similar chalcocite and copper oxide material to the West Lobe. However, the lack of drilling prevents projection of a "blanket" of chalcocite throughout the entire area. Further drilling is necessary to make a determination of the extent and quality of mineralization.

Sampling Method, Approach, Security

No attempt was made to duplicate or verify the extensive historic sampling data. The fact that several major mining firms conducted the work over a 20 year period with similar results indicates a positive reinforcement of the data. The geological staff of the high-profile mining companies identified section 6.0 used professional sampling techniques prevalent in the 1960s and 1970s. The geochemical data predates NI 43-101 QA/QC protocols. There were no descriptions of sample or field QA/QC with the historic documents available to the author. The author deems that samples obtained by the various professional members of the mining companies were of sufficient quality and quantity to verify the analytical results and support the interpretations and conclusions presented in this report. The historic database was examined for content and industry standard procedures by the author and was found to be acceptable. The site visit indicated that many of the past drill hole locations were readily obvious and recoverable and the author deemed that sampling results obtained by the various professionals and mineral resource companies were of sufficient quality to support the interpretations and conclusions presented in this report.

ACCO utilized a custom made core drill owned and operated by Altar Geologic Services (owner - Dan Lajack). The core drill provided HQ core from a wire line center tube assembly. Core was removed in five foot lengths unless the tube became plugged requiring shorter intervals of extraction. The recovered samples were immediately boxed in HQ size core boxes and stacked nearby. Drilling occurred during the entire 24 hours of each day. Filled core boxes were collected and stored at a secure storage facility in Miami, Arizona on a daily basis. Core was transported to Superior, Arizona where it was cut in half and then shipped via United Parcel Service to ALS Chemex's Elko, Nevada facility. Detailed logging was completed in the field and at the Miami storage facility. The remainder of the core (half core) remains boxed and locked in the Miami storage facility and available for review.



Drill sampling by ACCO was done on a nominal 1.5 m (5 ft) interval, with occasional intervals of up to 3 m (10 ft) in visually non-mineralized rock, or where recovery was not sufficient for smaller intervals. Core recovery during

the ACCO programs of 2008-2009 was generally very good (greater than 90%). Historic accounts of rotary drilling, as detailed above, often indicate poor recoveries and/or suspected contamination of cuttings within the hole. Since historic drill cuttings and core are not available to current author or owners, it is part of the recommended exploration program to 'twin' or duplicate some of the more pertinent historic drill holes. Future drill programs will adhere to a regular protocol of QA/QC including duplicate samples and known standards.

There is no evidence of any sample bias in any of the ACCO drill samples. Raw data from historic drilling is not available, but Humble did make note of suspected down-hole contamination in some of the historic rotary drilling. This type of down-hole contamination would tend to decrease grades, and increase thickness of mineralization. Duplicate or 'twin' drill holes at some of these historic sites are proposed for upcoming exploration.

Both historic and 2008-2009 ACCO drill sampling relied primarily on sampling on regular intervals rather than geologic breaks. This is justified since all rock types at Morgan Peak are amenable to hosting mineralization.

Furthermore, the mineralization model concept at Morgan Peak is that of a bulk minable, relatively large tonnage, 'porphyry-type' deposit. Consequently, sampling on very narrow intervals or small geologic features adds little to the interpretation and is considered unjustified.

Sample Preparation, Analyses

Copies of historical reports and data that are available for this report do not adequately describe or verify sampling procedures and results, nor is there quality control information available. The historic sample preparations and analyses were carried out during exploration by several professional mining companies who used laboratories with standards accepted industry-wide. No laboratory reports are available to review the methods or preparation procedures.

ACCO completed a core drilling program in 2008. A description of ACCO's sample handling procedure is given here. Core was removed daily to secure storage offsite, sawed in half and one half sent to the lab. The samples were shipped by United Parcel Service (UPS) to ALS Chemex in Elko, Nevada. All ALS Chemex facilities in Nevada are ISO 9000:2000 accredited laboratories and reflect the consistency and accuracy necessary for exploration programs. ALS Chemex laboratories are certified in North and South America.

The samples were crushed and 1000 gm splits pulverized at the lab. A prepared sample (0.25 g) was digested with perchloric, nitric, hydrofluoric and hydrochloric acids. The residue was topped up with dilute hydrochloric acid and the resulting solution was analyzed by inductively coupled plasma-atomic emission spectrometry (ICP). Results were corrected for spectral inter-element interferences.

Repeat analyses were done on all samples containing +1.0 % copper values. Additional repeat samples, blanks and standards were used also. The pulps were returned to ACCO for potential future analysis such as a possible desire to check for associated pathfinder elements. They are currently held in a secure storage facility.

Additional tests were initiated on all samples containing more than 1,000 parts per million (ppm) of copper. These tests were initiated on existing pulps to define the leachable characteristics of the copper minerals using various reagents. ALS Chemex applied their AA05 method of leaching non-sulfide copper from each sample. The sample (~1.0 g) was shaken (in automatic shaker) in 5% sulphuric acid at room temperature for one hour. The solution was subsequently filtered into a flask ensuring the residue was well washed with warm water. The filtrate was diluted to volume with water, mixed and copper content was measured by atomic absorption spectrometry (AAS). A straight sulfuric acid digestion was completed first. Once the copper content was determined from the sulfuric acid leach, the pulp was rinsed and then 0.5% cyanide solution was applied and the sample was shaken until homogenized. The bottle was then rolled for 2 hours and the leach solution was subsequently centrifuged until clear. The solution was then analyzed by atomic absorption (method AA17).

The combined results were compared to the original AA results and a recovery was determined by dividing the combined results by the AA result. Although this method would only provide characteristics of leaching on finely ground material, it represents the makeup of the copper minerals and their tendency to leach. The data obtained will require column tests to determine predictable recoveries. Initially, the first six holes were tested with separate acid

digestions using only the sulfuric acid method. The cyanide method was run on a separate pulp and therefore obtained more copper than if it had been completed after the sulfuric acid leach.

An additional technique was used on excess pulps from hole CS 0803 whereby an agitated hot acid leach was applied for one hour and ferric sulfate was added. The hot acid digestion outperformed the straight sulfuric acid leach test when leaching chalcocite, but failed to leach the oxide copper. Overall, the cyanide leach was the most effective method used. Each method diagnosed various amounts of sulfide and oxide copper minerals.

None of the various assay determinations, analytical or metallurgical tests were conducted by employees, officers, directors or associates of ACCO.

Data Verification

Historic drill data available to the author does not include descriptions of QA/QC methods or sampling protocols. However, the author did review available data for internal consistency, and found it to be complete. No material inadequacies or deficiencies were noted. All historical drill and assay data appear consistent with the age and manner of equipment and methods available.

The historic data was compiled from former reputable mining companies including Kerr McGee, Humble Oil, Cities Service, Miami Copper (aka Inspiration Copper), and Consolidated Uranium. It was usual practice with these companies to ensure their sampling methods from drilling and surface geochemical surveys were compatible with industry standards, to prove a credible case in the public market place for reliability and continued financing, as well as to provide proof of their exploration motives.

Geologic mapping was compiled from at least four separate sources including the United States Geological Survey. A field review of this mapping showed that outcrops were accurately located and that the most recent map using a working scale of 1:12,000 was adequate to capture much of the relevant mapping information using 15 m (50 ft) topographic contour interval. Lithology, structure and alteration were accurately recorded on the map and transferred to the final map legend and explanation.

Two of the historic geology maps contained locations of drill holes providing evidence of location of same. The data from the various drilling programs in the 1960's and 1970's can indirectly be given credence by comparing drill intercepts of mineralization from each of the companies' programs and the most recent drilling conducted in 2008 by American Copper Corporation. During the author's field inspection, it became obvious that many historic drill hole locations were identifiable through extrapolation of historic drill hole location maps coincident with historic drill pads, dead end spur roads and sumps used to catch sludge from previous core drilling. Spot checks of drill logs and drill locations revealed no significant inconsistency with data sources utilized for this report. However, exact hole locations are restrained to only a few sites with remaining steel casing. Most historic drill hole locations are interpreted from existing roadways, road widths, and existing sumps. Many of the hole positions are believed to be within a 3 m (10 ft) radius of their original location. The historical results from the various laboratories suggest no bias by any one assay laboratory when comparing overall results. Re-assay of a representative suite of samples to provide a comparison of laboratory performance was not deemed necessary.

Author Noland collected seven rock grab samples from the altered outcrops of Pinal Schist above known copper mineralization in drilling (see Figure 10 for sample locations). Table 4 below presents the verification sample results. Analytical results from these samples are provided in Appendix II. No check samples or standards were submitted with these seven samples. However, a certified, commercial laboratory (Skyline) was utilized for sample preparation and for multi-element analyses. Skyline reports that it routinely runs internal checks and standards for consistent QA/QC before reporting results.

Sample	Cu ppm	Mo ppm	Sample Type	Location
PNCS-1	339	377	Chip	outcrop above CS 0801
PNCS-2	122	33	Chip	outcrop above CS 0802
PNCS-3	163	41	Chip	outcrop above CS 0803

Sample	Cu ppm	Mo ppm	Sample Type	Location
PNCS-4	139	295	Chip	outcrop above CS 0804
PNCS-5	197	30	Chip	outcrop above CS 0805
PNCS-6	211	95	Chip	outcrop above CS 0806
PNCS-7	227	76	Chip	outcrop above CS 0807

Each sample was prepared and analyzed at Skyline Laboratories of Tucson, Arizona for total copper by total acid digestion and atomic adsorption and ICP results on 31 additional elements. The samples contained no visible copper oxides or sulfides. The samples were collected from various parts of the property to determine the validity of surface sampling compared to visual estimates of copper represented by limonite content and fracture spacing.

Adjacent Properties

The property resides within the Globe-Miami mining district with numerous past and present mines. There are numerous historic and working mines within 5 miles (8 km) of the property boundary. These mines include the Miami Complex (FMCG, Miami Complex, 2010), currently operated by Freeport McMoRan Copper and Gold, the Carlota Mine of Quadra Mining (Quadra Mining, 2010), and the Pinto Valley Mine of BHP (BHP, 2010). Further out are the Resolution Copper deposit and Superior copper deposits owned by the Resolution Copper Company (Resolution Copper Co., 2010) which are under construction, and the Ray mine under control of Grupo Mexico (Grupo Mexico, 2010), (Table 5). These descriptions of adjacent properties are from published, public domain sources (Internet, published NI43-101 and/or publicly circulated maps and reports). None of the resources or deposit details on adjacent properties has been verified by the author of this report. These deposits are not necessarily indicative of mineralization amounts or types on Morgan Peak. The summaries given in Table 5 are extracted from public domain information. Internet reference sites are cited above and in the 'References' section.

Property	Company	Distance and Location
Miami Complex	FMCG	(8 km) (5 m) northeast of Morgan Peak
Pinto Valley Mine	BHP Mining	6.4 km (4 m) north of Morgan Peak
Carlota Mine	Quadra Mining	7 km (4.5 mi) northwest of Morgan Peak
Resolution-Superior	Resolution Copper Co.	12.8 km (8 mi) west of Morgan Peak
Ray Mine	Grupo Mexico	17.7 km (11 mi) southwest of Morgan Peak

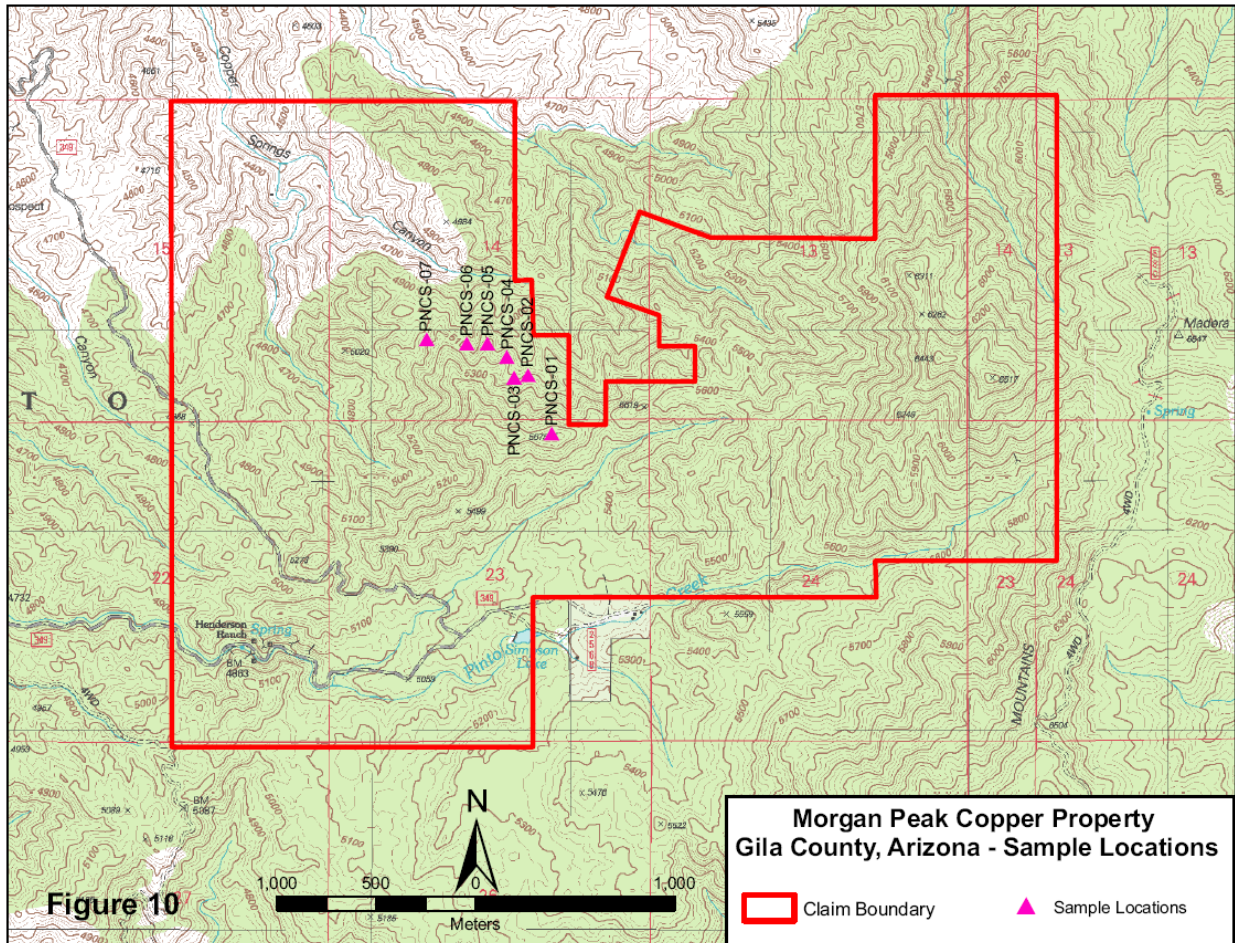
Mineral Processing and Metallurgical Testing

Although numerous historic adits and pits abound within the property limits, there has been no significant production from the property. Metallurgical testing has reportedly been conducted by Kerr McGee, but no reports are available on this work. ACCO recently conducted acid leach tests on core collected during their drilling program. These tests were very preliminary and examined processed core (pulp). The results of the testing were positive with 43% to 106% recoveries of copper as chalcocite and copper oxides and further identified in Table 3 and Appendix II. (Laboratory results indicating recoveries of greater than 100% are attributed to acceptable ranges of error and repeatability in both initial assay and recovery testing). This work suggests further metallurgical testing should be undertaken in the event that a minable quantity of ore is defined. These tests were representative of mineralized intervals from ACCO drilling. However, since this limited metallurgical testing was conducted on sample pulps, future testing should be conducted on unprocessed core samples to better represent potential mine recoveries. No further metallurgical information was available from other sources.

Mineral Resource and Mineral Reserve Estimates

As previously stated in the History section, 6.0, any estimates of "resources" and/or "reserves" from past exploration will not satisfy the requirements of Canadian National Instrument 43-101. All resource estimates stated above are

historical. These historic 'resources' are not 43-101 compliant, nor do they meet standards, categories, or definitions detailed by NI 43-101 or CIM. They have not been verified by Toro or by the current author. As such, they are not presented here as 'mineral resource estimates' and are not intended to be utilized as such. These historic mineral resources should not be relied upon for current resource estimates, nor for investment purposes.



Other Relevant Data and Information

No other data or information is available to the Author.

Interpretation and Conclusions

Morgan Peak represents a porphyry copper prospect with associated laramide intrusive, zoned alteration and low grade disseminated copper and molybdenum mineralization typical of this deposit type. Historic exploration carried out on the project by mining companies from the late 1940's to early 1970's suggested the existence of an uneconomic (at the time) supergene copper deposit hosted in Precambrian Pinal Schist. Recent changes in the price of copper and cheaper methods of recovery through SX/EW technology caused renewed interest in these historic resources in general and this area in particular by MinQuest and others. This interest culminated in the consolidation of the current property position. ACCO leased the Morgan Peak project in 2007 through 2009 from MinQuest. Due to funding issues, ACCO relinquished the property to MinQuest in late 2009. This review and additional work completed on the property by MinQuest in conjunction with ongoing development and mining of nearby projects containing similar grades, caused Toro Resources to acquire the property.

While completing the present report, Toro commissioned MinQuest to complete a set of sections for the project area incorporating all of the known drill holes. The lines include 11 north-south cross sections and two east-west sections (see Figure 9, above). These cross-sections provide a well distributed evaluation of the mineralization throughout the property where drilling has been completed. Since the central and northern portions of the property are sparsely drilled, several of the sections contain only a few drill holes. Most of the cross-sections are presented in Appendix IV of this report. The author has evaluated the new cross-sections along with sections developed by Humble. It is apparent that copper mineralization has developed in one or more sub-horizontal beds from 3 to 46 m (10 to 150 ft) thick. Much of this mineralization is within the first 61 m (200 ft) of surface. The mineralization exists on all but two sections. The most westerly section (11W) appears to delineate the western boundary of the mineralization. Section 3W is more indicative of a lack of drilling within the section as opposed to proof that no mineralization exists.

Within the blanket of apparent supergene enrichment, it is reasonable to suggest that certain structural zones have enhanced grades over thicker intervals. Copper values of 0.87% over 6 m (20 ft) and 0.33% over 43 m (140 ft) have been intersected in various drill holes. The average grade of mineralization within the supergene zone over 12 m (40 ft) or more in thickness varies from 0.17% to 0.54% copper. The possible late stage structures identified in Section 7.2.2 should be examined in detail to determine future drilling targets.

During a field exam conducted by Noland and others in early 2010, it was noted that much of the area bounded by the Santa Anna Fault to the west and the Ellis "Vein" to the east has characteristics similar to the two known areas of mineralization. Although drilling is very wide spaced between the West Lobe and Ellis "Vein" (over 610 m or 2,000 ft between drill holes), the existing drill holes generally intersected similar grades and thickness. It is suggested that geologic mapping, and drilling of the East Lobe be carried out to better understand its potential. Geochemical analyses of seven rock chip samples collected by Noland in early 2010 revealed no reliable correlation between surface geochemistry and copper mineralization at depth (see Table 7 and Appendix II). It is suggested, that Phase I drilling be targeted on proven methods of detection including limonite and fracture mapping combined with geophysics with no further detailed road-cut geochemistry. Implementation of Phase II would be largely based on results of Phase I. Phase II exploration may be scaled back or expanded based on results of Phase I.

The basic findings of this report suggest a supergene blanket of copper mineralization may exist at various depths throughout the property. The grades and thickness are consistent with other economic deposits located in the immediate vicinity. It is not within the scope of this report to calculate a tonnage or assess the grade necessary for this project to be profitable. The current drill density for the Morgan Peak property is too sparse and the historic data are too incomplete to evaluate the potential for a resource if one exists.

Toro has calculated a potential exploration target for Morgan Peak. This exploration target is defined by existing drill results which indicate a continuity of both favorable geology (suitable host rocks are known to be present throughout the exploration target), and copper mineralization at regular, predictable horizons.

The lateral extent of this potential exploration target is depicted in the plan map presented in Figure 8. The lateral extent of the exploration target is defined and constrained by mapped alteration features and drilling results as described in sections 9.0 Mineralization and 11.0 Drilling. Cross sections of Figure 9 demonstrate the continuity of mineralization at different locations throughout the bounds of the potential exploration target. Close scrutiny of these cross sections (Figure 9) demonstrate the continuity of mineralization at different locations throughout the bounds of the potential exploration target. The cross sections of Figure 9 demonstrate mineralized thickness ranging from a few tens of feet up to greater than 61 m (200 ft). For purposes of a potential exploration target, a range of average thicknesses is given as 6 to 15 m (20 to 50 ft).

The estimated grade ranges of this target are derived from the grade ranges demonstrated by past drilling to exist within the target bounds. Examination of the cross sections in Figure 8, as well as ACCO's drill results given in Table 3, reveals copper values through the primary mineralized zone range from 0.11% Cu to over 0.50% Cu (and sometimes much higher). Conservatively, then, the range of grades assigned to Morgan Peak potential exploration target is 0.10 to 0.40 %Cu.

Given the area of the potential exploration target of approximately 55,000,000 square feet, a range of mineralization thickness of 6 to 15 m (20 to 50 ft), and a conservative density factor of 12.0 cubic feet per short ton, a range of

potential tons and grade for this exploration target is given as may be calculated as 92 to 229 million tons with a potential grade range of 0.10 to 0.4 % Cu.

Investors are cautioned that the potential quantity and grade described in this report for Morgan Peak is conceptual in nature and does not meet the NI 43-101 classification of 'measured', 'indicated', or 'inferred' mineral resource as defined by NI 43-101 and the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Definitions Standards, and that the potential quantity and grades presented are based on a lower level of certainty than the 'inferred' mineral resource category of NI 43-101. There has been insufficient exploration to define a NI 43-101 categorized 'measured', 'indicated', or 'inferred' mineral resource on Morgan Peak, and it is uncertain whether further exploration will result in the target being delineated as such a categorized resource. Further, no economic evaluation of the potential copper exploration target at Morgan Peak was completed by the author.

ACCO's drilling in 2008-2009 successfully demonstrated the occurrence of copper mineralization within targeted areas and zones at Morgan Peak. Furthermore, these copper occurrences appear to be in zones predicted by the model concept of an enriched zone from earlier porphyry mineralization.

Recommendations and Budget

MinQuest has re-evaluated the earlier available exploration data, including geophysical surveys, drilling results, field observations, and surface sampling. This evaluation and interpretation of Morgan Peak has taken advantage of updated geologic concepts and recent mineral discoveries in similar geologic settings. The author supports this new geological concept and target. Recommendations for exploration of the property include further work to expand the known surface mineralization and explore for porphyry copper mineralization beyond the known mineralized zones. Toro's exploration program may include the following:

- ACCO's drill program was designed to define resources within the West Lobe suitable for near-term exploitation and expand mineralization to the south and east. Additional exploration should consider that the region underlying the potassic core as potential ground for a large mineralizing system as discussed in the "Deposit Types" section. Below are general targets that might be considered for future exploration.
 1. Vertical holes spaced regularly along the east access road are recommended to further define the grade and extent of mineralization within the East Lobe. This area is largely without drill hole definition.
 2. Angle holes may be considered across several identified faults such as the Santa Anna, Ellis and West Fault. This would establish the grade, depth and width of mineralization associated with known faults.
 3. Drilling is also recommended north and east of the potassic core within the Schultze Granite. This area is also largely without drill hole definition.
 4. A deep vertical hole sited along the Ellis "Vein" at the eastern end of the potassic core is recommended to test for a preserved portion of the porphyry system. This hole is recommended to approximately 610 m (2,000 ft) if possible.
 5. An angle hole sited south and west of the breccia pipe is recommended to penetrate the western breccia pipe and determine plunge.
- A program of mapping and sampling copper oxide workings on the western side of the property is recommended to better understand the occurrence.
- Analytical results of road cut samples collected at several of the 2008 drill sites revealed no reliable correlation between surface geochemical signatures and copper mineralization at depth. Road cut geochemical sampling does not appear to be a cost-effective tool for selecting favorable drill targets. However, detailed mapping of limonite content and fracture intensity of the East Lobe and western most portion of the property have proven successful alternatives to surface geochemistry in determining potential for mineralization at depth.

- Projected Phase 1 exploration costs are estimated at US\$500,000 and are listed in Cost Estimates section of the Technical Report.

As at the date of this Listing Application, the Company has expended US\$60,000 on the recommended Phase I work program.

Item 6: FINANCINGS

In the 12 months preceding the date of this Listing Application, the Company has completed the following private placements:

February 2010 Private Placement

In February 2010, the Company completed non-brokered private placement, consisting of an aggregate of 6,000,000 units at a price of \$0.05, each unit comprised of one Common Share and one share purchase warrant exercisable for one additional Common Share for a period of 12 months at a price of \$0.10.

An aggregate of 4,950,000 of the warrants issued in the February 2010 Private Placement were exercised prior to their expiry on February 3, 2011 for gross proceeds of \$495,000.

April 2010 Private Placement

In April 2010, the Company completed a non-brokered private placement completed by the Company of an aggregate of 3,669,998 units at a price of \$0.15, each unit comprised of one Common Share and one-half of one share purchase warrant with each whole warrant being exercisable for one additional Common Share for a period of 24 months at a price of \$0.30. The warrants issued in the April 2010 Private Placement are subject to early acceleration in the event the closing price of the Company's Common Shares equals or exceeds \$0.75 for a period of ten consecutive trading days during the exercise term.

The Company will not conduct a financing in connection with its proposed listing on the TSXV.

Total Available Funds

The following chart summarizes the total funds available to the Company:

Available Funds	Total
Working Capital as at April 30, 2011	\$692,000
Total Available Funds	\$692,000

Principal Purposes of Funds

It is intended that the total funds available to the Company will be expended as follows over the next 12 months:

Allocation of Total Available Funds	Amount to be Expended
Completion of recommended proposed work program ⁽¹⁾	\$440,000 ⁽²⁾
Costs to keep the Morgan Peak Property in good standing for the next 12 months	\$50,000
General and administrative expenses for the next 12 months	\$80,000
Working Capital available inclusive of \$100,000 in unallocated costs	\$122,000

Notes:

- (1) The Technical Report recommends a Phase I exploration program on the Morgan Peak Property of US\$500,000, of which US\$60,000 had been expended by the Company as at the date of this Listing Application, thereby leaving a balance of approximately US\$440,000 to be expended on Morgan Peak Property.
- (2) Assumes a conversion rate of \$1.00 = US\$1.00.

Business Objectives and Milestones

The Company's primary business objective will be to complete the first phase work program on the Morgan Peak Property. Upon completion of the Listing, the Company's working capital available to fund ongoing operations will be sufficient to meet its planned exploration expenditures and general and administrative costs for at least twelve months. The Company intends to spend its working capital as set forth in this Listing Application. However, there may be circumstances where, for sound business reasons, a reallocation of funds may be necessary.

It is anticipated that subsequent to Listing, the Company will seek to raise an additional capital through the issuance of additional Common Shares, with the proceeds being used for further advance exploration of the Morgan Peak Property, including completion of the second phase of the exploration program, and for additional working capital.

Item 7: DIVIDENDS AND OTHER DISTRIBUTIONS

There are no restrictions preventing the Company from paying dividends. The Board has not declared any dividends or made any distributions in the three most recently completed financial years or in the current financial year. The directors of the Company anticipate that the Company will retain all future earnings and other cash resources for the future operation and development of its business, and accordingly, do not intend to declare or pay any cash dividends in the foreseeable future, and have not paid any dividends for each of the three most recently completed financial years. Payment of any future dividends will be at the discretion of the Board after taking into account many factors including the Company's operating results, financial condition and current and anticipated cash needs.

Item 8: MANAGEMENT'S DISCUSSION AND ANALYSIS

The annual MD&A for the Company for the years ended June 30, 2010, 2009 and 2008, are filed on SEDAR, and are hereby incorporated by reference.

The interim MD&A for the six months ended December 31, 2010 is filed on SEDAR and is incorporated herein by reference.

Such MD&A should be read in conjunction with the Company's financial statements for the corresponding periods.

Item 9: DISCLOSURE OF OUTSTANDING SECURITY DATA ON FULLY DILUTED BASIS

As of the date of this Listing Application, the following securities are outstanding:

Type of Security	Number of Common Shares or Underlying Common Shares
Issued and outstanding Common Shares ⁽¹⁾	23,148,636
Common Shares issuable under outstanding Common Share purchase warrants ⁽¹⁾	1,835,001
Common Shares issuable under outstanding incentive options ⁽¹⁾	1,450,000
Fully diluted Common Shares	26,433,637

Notes:

(1) See "Item 11. Consolidated Capitalization."

Item 10: DESCRIPTION OF SECURITIES TO BE LISTED

Authorized and Issued Share Capital

The authorized share capital of the Company consists of an unlimited number of Common Shares and Preferred Shares, with a par value of \$1.00. The following is a summary of the rights, privileges, restrictions and conditions attached to the Common Shares and the Preferred Shares.

Common Shares

All Common Shares rank equally as to voting rights, participation in a distribution of assets of the Company on the liquidation, dissolution or winding-up of the Company and to the entitlement of dividends. The holders of Common Shares are entitled to receive notice of all meetings of shareholders and to attend and vote at those meetings. Each Common Share carries with it the right to one vote. In the event of the liquidation, dissolution or winding-up of the Company or other distribution of its assets, the holders of the Common Shares will be entitled to receive, on a pro rata basis, all of the assets remaining after the Company has paid out its liabilities.

Preferred Shares

The holders of Preferred Shares are entitled to non-cumulative dividends. Holders are not entitled to notice of nor may they attend or vote at any meetings of the shareholders of the Company. Upon liquidation, dissolution or winding up holders are entitled to receive pari passu the redemption amount plus declared but unpaid dividends.

Item 11: CONSOLIDATED CAPITALIZATION

The following table summarizes the Company's capitalization as at the dates indicated:

	Outstanding as at June 30, 2010	Outstanding as at December 31, 2010	As at the date hereof
Shares	16,848,636	17,873,636	23,148,636
Options	1,250,000	1,250,000	1,450,000
Warrants	7,835,001	7,835,001	1,835,001

Item 12: STOCK OPTION PLAN

The Company has a stock option plan (the "Option Plan") which allows for the number of shares reserved for issuance pursuant to the exercise of stock options ("Options") to be 10% of the issued and outstanding Common Shares at any time. The terms of the Option Plan comply with the policies of the CNSX and TSXV.

Options granted under the Option Plan have a maximum term of five years for as long as the Company is not a TSX-V Tier 1 Issuer. The exercise price of the Options granted under the Option Plan will not be less than the fair market value of the Common Shares at the date of grant.

In any 12-month period, the total number of shares reserved for issuance to any one person on the exercise of Options cannot exceed 5% of Toro's outstanding shares.

The total number of Options granted to either any one consultant, or to all employees and consultants conducting investor relations activities, cannot exceed 2% of Toro's issued shares within any one-year period.

Under the Option Plan, the Board must set the Option price at not less than the last closing price of the Company's shares on the exchange (on which it is then trading) on the trading day immediately before the date of grant, less any discount permitted under such exchange's policies.

The Option Plan provides that Options can be issued to directors, senior officers, employees, full-time dependent contractors, part-time dependent contractors and consultants of the Company or to employees of companies providing management or administrative services to the Company. The Options will be non-assignable except that they will be exercisable by the personal representative of the option holder in the event of the option holder's death. Options granted to a person who is engaged in investor relations activities will expire within a maximum of 30 days after the optionee ceases to be employed and options granted to all other persons will expire within a maximum of 90 days from the date the optionee ceases to hold their position or office.

The following table sets out all Options outstanding as of the date of this Listing Application:

Name and Position	Number of Options	Exercise Price	Expiry Date
William Galine, Officer	200,000	\$0.10	March 4, 2015
Ronald Atlas, Officer	200,000	\$0.10	March 4, 2015
Bernard Stannus, Officer	200,000	\$0.10	March 4, 2015
Mark Lawson, Director	200,000	\$0.10	March 4, 2015
Opus 3 Inc. ⁽¹⁾ , Consultant	200,000	\$0.10	March 4, 2015
Anthony Floyd, Director	200,000	\$0.18	June 3, 2015
Lorie Gray, Employee	50,000	\$0.18	August 31, 2015
John Watt	200,000	\$0.20	March 23, 2016
Total:	1,450,000		

Notes:

⁽¹⁾ These Options were granted pursuant to a consulting agreement dated March 4, 2010 between the Company and Opus 3 Inc.

Item 13: PRIOR SALES

The following table contains details of issuances of the Common Shares by the Issuer during the 12 months prior to the date of this Listing Application:

Date of Issuance	Number of Securities	Price per Security
February 3, 2010	250,000 ⁽¹⁾	N/A
February 3, 2010	6,000,000 ⁽²⁾	\$0.05
April 28, 2010	3,669,998 ⁽³⁾	\$0.15
February 14, 2011	250,000 ⁽⁴⁾	N/A

Notes:

(1) Issued pursuant to terms of the Morgan Peak Option Agreement. See "Item 5 – Description of the Business".

(2) Included an aggregate of 6,000,000 warrants exercisable until February 2, 2011 at a price of \$0.10. An aggregate of 4,950,000 warrants were exercised before the expiry date of February 2, 2011.

(3) Includes an aggregate of 1,835,001 warrants exercisable until April 28, 2012 at a price of \$0.30.

(4) Issued pursuant to terms of the Morgan Peak Option Agreement. See "Item 5 – Description of the Business".

Trading Price and Volume

The Common Shares are listed on the CNSX under the trading symbol "TRK". The following table sets forth the reported high and low sale prices (which are not necessarily the closing prices) and the trading volume of the Common Shares on the CNSX, as reported by the CNSX, for the periods indicated:

Price Range (\$)			
Period	High	Low	Trading Volume
May 2011	0.20	0.17	534,000
April 2011	0.28	0.21	298,500
March 2011	0.25	0.18	1,628,000
February 2011	0.25	0.175	1,802,500
January 2011	0.235	0.15	531,500
December 2010	0.20	0.155	195,000
November 2010	0.24	0.18	1,151,000
October 2010	0.18	0.18	649,500
September 2010	0.25	0.18	448,000
August 2010	0.20	0.16	1,170,000
July 2010	0.15	0.15	20,000
June 2010	0.20	0.12	1,570,000
May 2010	0.18	0.18	12,000
April 2010	0.25	0.20	110,000

On May 18, 2011, the last day on which there was trading activity in the Common Shares before the date of this Listing Application, the closing price of the Common Shares on the CNSX was \$0.18.

Item 14: ESCROWED SECURITIES AND SECURITIES SUBJECT TO RESTRICTION ON TRANSFER

The Company and its escrow shareholders entered into an Escrow Agreement with Pacific Corporate Trust Company dated July 31, 2007, which is filed on SEDAR. This Escrow Agreement was entered into in accordance with National Policy 46-201. Under the Escrow Agreement, 10% of the escrowed securities were released from escrow on the date that the Company's Common Shares were listed on the CNSX and an additional 15% were released every six months thereafter. On January 7, 2011, the last remaining Common Shares in the aggregate amount of 510,002 Common Shares were released from escrow. No securities remain subject to the Escrow Agreement or other similar arrangement as at the date of this Listing Application.

Item 15: PRINCIPAL SECURITYHOLDERS

To the knowledge of our directors and officers, as of the date of this Listing Application, no person beneficially owns or exercises control or direction over Common Shares carrying more than 10% of the votes attached to the Common Shares.

Item 16: DIRECTORS AND EXECUTIVE OFFICERS

The Company's directors and executive officers as a group, beneficially own, directly and indirectly, or exercise control or direction over an aggregate of 3,367,700 Common Shares, representing approximately 14.54% of the issued and outstanding Common Shares as of the date of this Listing Application.

The following are the names and municipalities of residence of those persons who are directors, officers, and promoters of the Company, the positions and offices they are to hold with the Company subsequent to its Listing, their principal occupations within the five preceding years, and the number of Common Shares held by each of them:

Name, Occupation and Security Holdings

Name, Position and Municipality of Residence	Principal Occupation for the Past Five Years	Number of Common Shares Beneficially Owned or Controlled, Directly or Indirectly	Percentage of Outstanding Common Shares ⁽¹⁾
William Galine Age 60 President, CEO and Director West Vancouver, British Columbia	See below	1,140,700	4.92%
Ronald Atlas⁽²⁾ Age 66 CFO, Secretary and Director Wilmette, Illinois	See below	1,452,000	6.27%
Anthony Floyd Age 60 Director Vancouver, British Columbia	See below	775,000	3.34%
Mark Lawson⁽²⁾ Age 38 Director Toronto, Ontario	See below	-	-
John Watt⁽²⁾ Age 62 Director North Vancouver, British Columbia	See below	-	-
Bernard Stannus Age 60 VP Exploration, British Columbia Tucson, Arizona	See below	-	-

Notes:

(1) Based on 23,148,636 Common Shares outstanding as at the date of this Listing Application.

(2) Member of the Company's Audit Committee.

Management

The following sets forth further particulars on those individuals who will be members of management and key personnel of the Company, including the positions they will hold with the Company, the proportion of their time to be devoted to the Company, and their relevant educational background.

The Company's management are independent contractors and none of the Company's management have entered into non-competition agreements or non-disclosure agreements with the Company.

William Galine, President, Chief Executive Officer and Director

Mr. Galine has served as Chief Executive Officer and President of the Company since February 2010 and a director of the Company since January 2007. Mr. Galine has also served as Vice President of Expedition Mining Inc. (formerly Universal Uranium Ltd.) since October 2007 and has provided investor relations services to Expedition Mining Inc. since April 2005. Mr. Galine graduated with a B.A. from San Diego State University in June 1975.

Mr. Galine will devote approximately 75% of his time to the Company.

Ronald Atlas, Chief Financial Officer, Corporate Secretary and Director

Mr. Atlas has been the Company's Chief Financial Officer since February 2008 and a director since January 2007. Mr. Atlas is also currently the President and a director of Expedition Mining Inc. (formerly Universal Uranium) and was previously a director of Crosshair Exploration & Mining Corp. from July 2008 until January 2009. Mr. Atlas

was formerly the Chief Operating Officer of Paragon Aquatech, Ltd., a U.S. based builder of aquatic features. Mr. Atlas is a C.P.A. and retired attorney in the State of Illinois, U.S.

Mr. Atlas will devote approximately 25% of his time to the Company.

Anthony Floyd, Director

Tony Floyd obtained his academic credentials in the United Kingdom. First with a B.Sc. Honours degree in geology from the University of Nottingham and then a M.Sc in Mineral Exploration and Mining Geology from the University of Leicester. He then emigrated to Canada in 1973 and worked throughout North America for a number of junior and senior mining companies including McIntyre Mines Ltd, Cypress Resources, Westley Mines Ltd and the Pezim group of companies. In 1987 he formed Bridger Resources Inc. Bridger Resources was one of the first juniors to conduct exploration and development in Chile. In 1990 Bridger became a high grade gold producer from its La Pepa project in the Maricunga district of Chile. In 1993 political change in Peru led Mr Floyd to form the Peru Syndicate which ultimately became Inca Pacific Resources Inc. The Peru Syndicate/Inca Pacific were amongst the first wave of explorers in Peru which allowed it to assemble an impressive portfolio of prospects. In 1999 this came to fruition when a very significant discovery was made at its Magistral Copper/Molybdenum property. In 2002 Mr. Floyd, along with Ross Beaty and Robert Pirooz, founded the Lumina Copper Group (comprised of Lumina Copper Corp. and its successor companies: Regalito Copper Corp., Lumina Resources Corp., Northern Peru Copper Corp. and Global Copper Corp.), of which: Regalito Copper Corp. was acquired by Pan Pacific Copper Co., Ltd. for approximately Cdn.\$135 million in 2006; Lumina Resources Corp. was acquired by Western Copper Corp. for approximately Cdn.\$27 million in 2006; Northern Peru Copper Corp. was acquired by China Minmetals Nonferrous Metals Co., Ltd. and Jiangxi Copper Company Ltd. for approximately Cdn.\$455 million in January 2008; and Global Copper Corp. was acquired by Teck Cominco Limited for approximately Cdn.\$415 million in August 2008. Mr. Floyd is currently chairman of Inca Pacific Res. Inc.

Mr. Floyd will devote approximately 5% of his time to the Company.

Mark Lawson, Director

From 2005 to 2008 was an investment banker with Morgan Stanley in New York where he was involved in the execution of over \$6 billion worth of mergers and acquisitions, \$8 billion worth of debt offerings and \$500 million of equity financings. Mr. Lawson was previously a Director of a boutique corporate finance firm in Toronto, Canada, from 2003 to 2004. He received his Bachelor of Arts in Statistical Sciences from The University of Western Ontario and his MBA from The Richard Ivey School of Business, University of Western Ontario. Mr. Lawson is the President of AuRo Resources and a director of several TSX Venture listed companies.

Mr. Lawson will devote approximately 10% of his time to the Company.

John Watt, Director

Mr. Watt is a Chartered Accountant with 38 years of experience and is the founder and President of Rosemill & Associates Inc., a private financial consulting company. Mr. Watt is also currently and has been since May 2006, the Chief Financial Officer and a director of Gold Reach Resources Ltd. and International Samuel Exploration Corp. In addition, Mr. Watt previously served as Chief Financial Officer and director to a number of TSX Venture Exchange companies including, Andeangold Ltd. and Inca Pacific Resources Inc.

Mr. Watt will devote approximately 5% of his time to the Company.

Bernard Stannus, Vice President of Exploration

Mr. Stannus has been the Company's Vice President of Exploration since March 2010 and was a director of the Company between from March 5, 2010 until June 4, 2010. Mr. Stannus is a professional engineer with over 40 years of experience in the mining industry, having been involved in the design, development and construction of various mines in the United States, Canada and South and Central America. From 2004 until 2009, Mr. Stannus held executive positions with Inca Pacific Resources, a TSX Venture listed company, serving as Vice-President Mining

and Vice-President Corporate Development. Mr. Stannus holds a Diploma in Mining Technology from the British Columbia Institute of Technology and a Bachelor of Science in Mining Engineering from the University of Alberta.

Corporate Cease Trade Orders or Bankruptcies

No director or officer of the Company has, within the last ten years, been a director, officer or promoter of any person or company that, while such person was acting in that capacity, was the subject of a cease trade or similar order or an order that denied the company access to any statutory exemption for a period of more than 30 consecutive days or was declared a bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver-manager or trustee appointed to hold the assets of that person.

Penalties or Sanctions

No director or officer of the Company, or a shareholder anticipated to hold a sufficient number of securities to materially affect the control of the Company, or any personal holding company of such persons, has, to the knowledge of the Company, been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable security holder making a decision about the Listing.

Personal Bankruptcies

No director or officer of the Company, or a shareholder anticipated to hold a sufficient number of securities of the Company to affect materially the control of the Company, or any personal holding company of such persons, has, within the ten years prior to the date of this Listing Application, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold his or her assets.

Conflicts of Interest

The directors and officers of the Company may, from time to time, serve as directors or officers of other issuers or organizations or may be involved with the business and operations of other issuers or organizations, in which case a conflict of interest may arise.

Other Reporting Issuer Experience

The following table sets out the experience of each director/officer of the as a director or officer of another reporting issuer during the past five years:

Name	Name and Jurisdiction of Reporting Issuer	Name of Trading Market	Position	From	To
William Galine	Highpointe Exploration Inc.	Not applicable	Director	March 2010	Present
	Expedition Mining Inc.	TSXV	Officer	February 2010	Present
Ronald Atlas	Expedition Mining Inc.	TSXV	President & Director	June 2006	Present
	Crosshair Exploration & Mining Corp.	TSX / NYSE Amex	Director	July 2008	January 2009
	Arco Resource Corporation	TSXV	Director	June 2007	January 2008
Anthony Floyd	Inca Pacific Resources Inc.	TSXV	President/Chairman	January 1994	Present
	Aldrin Resource Corp.	TSXV	Director	September 2009	November 2010
	Global Copper Corp.	TSXV	Director	May 2005	August 2008

	Northern Peru Copper Corp.	TSXV	Director	May 2005	January 2008
	Regalito Copper Corp. (formerly Lumina Copper Corp.)	TSXV	Director	May 2005	May 2006
	Lumina Resources Corp.	TSXV	President Director	May 2005 May 2005	September 2006 February 2007
Mark Lawson	AuRo Resources Corp.	TSXV	President Director	October 2008 October 2008	Present Present
	Hunter Bay Minerals PLC	TSXV	Director	February 2010	Present
	Ecologap Solutions	OTC BB	Director	July 2008	Present
	AM Gold Inc.	TSXV & Frankfurt	Director	June 2010	Present
John Watt	Condor Resources Inc.	TSXV	Officer	September 2009	Present
	Kenai Resources Ltd.	TSXV	Officer	October 2010	Present
	Andeangold Ltd.	TSXV	Officer	September 2010	December 2010
	International Samuel Exploration Corp.	TSXV	Officer & Director	May 2006	Present
	Gold Reach Resources Ltd.	TSXV	Officer & Director	May 2006	Present
	Inca Pacific Resources Inc.	TSXV	Officer	July 2009	April 29, 2010
	Petaquilla Minerals Ltd.	TSXV	Officer	March 2006	Nov 3, 2006
Bernard Stannus	Inca Pacific Resources Inc.	TSXV	Officer	June 2004	May 2008

Item 17: EXECUTIVE COMPENSATION

Summary Compensation Table

The following table sets forth all compensation paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, for the fiscal years ended June 30, 2010 and 2009 to the CEO, CFO and the next four mostly highly compensated executive officers of the Company whose total compensation and bonus was, individually, in excess of \$150,000 per annum (collectively the "Named Executive Officers"). During the fiscal years ended June 30, 2010 and 2009, the Company had two Named Executive Officers.

Name and Principal Position	Fiscal Year Ended June 30	Salary (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)		Pension Value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans (\$)	Long-term incentive plans			
William Galine ⁽¹⁾ CEO	2010	-	-	16,776	-	-	-	-	16,776
	2009	-	-	-	-	-	-	-	-
Ronald Atlas CFO	2010	-	-	16,776	-	-	-	-	16,776
	2009	-	-	-	-	-	-	-	-
Robert Lunde ⁽²⁾ Former CEO	2010	-	-	-	-	-	-	-	-
	2009	-	-	-	-	-	-	-	-

(1) Mr. Galine was appointed as President and Chief Executive Officer on February 3, 2010.

(2) Mr. Lunde resigned as President and Chief Executive Officer on February 3, 2010 and as a director on March 4, 2010.

Outstanding Option-Based Awards

The following table sets forth information concerning all option-based and share-based awards for each Named Executive Officer that were granted before, and remain outstanding as of the most recently completed fiscal year ended June 30, 2010.

Name and Principal Position	Option-based Awards ⁽¹⁾				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options ⁽²⁾ (\$)	Number of Shares or units of Shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
William Galine CEO	200,000	0.10	March 4, 2015	40,000	-	-
Ronald Atlas CFO	200,000	0.10	March 4, 2015	40,000	-	-
Robert Lunde Former CEO	-	-	-	-	-	-

Notes:

- (1) The option-based awards relate to those stock options awarded pursuant to the Stock Option Plan.
- (2) The value of unexercised in-the-money options was calculated based on the difference between the closing price of the Shares underlying the options as at June 30, 2010, which was \$0.20, and the exercise price of the option.

Incentive Plan Awards Value Vested or Earned During the Fiscal Year Ended June 30, 2010

Name	Option-based awards-Value vested during the year (\$)	Share-based awards-Value vested during the year (\$)	Non-equity incentive plan compensation-Value earned during the (\$)
William Galine Chief Executive Officer	4,000	-	-
Ronald Atlas Chief Financial Officer	4,000	-	-
Robert Lunde Former Chief Executive Officer	-	-	-

Pension Plan Benefits

The Corporation does not have any pension plans that provide for payments of benefits at, following or in connection with retirement or provide for retirement or deferred compensation plans for the Named Executive Officers or directors.

Termination Benefits

The Company has not entered into any plan or arrangements in respect of remuneration received or that may be received by the NEOs in the Company's most recently completed financial year or current financial year in respect of compensating such officers or directors in the event of termination of employment (as a result of resignation, retirement, change of control, etc.) or a change in responsibilities following a change of control.

Director Compensation

The following table sets forth information concerning the annual and long-term compensation in respect of the directors of the Company other than the Named Executive officers, during the fiscal year ended June 30, 2010. For details of the compensation for the Named Executive Officers who are also directors of the Company, see disclosure in "Summary Compensation Table for Named Executive Officers".

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards(\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Anthony Floyd	-	-	30,100	-	-	-	-
Mark Lawson	-	-	16,776	-	-	-	-
Bernard Stannus ⁽¹⁾	-	-	16,776	-	-	18,250 ⁽²⁾	18,250

- (1) Mr. Stannus became a director effective March 4, 2010 and subsequently resigned on June 3, 2010.
(2) Represents consulting fees received by Mr. Stannus in his role as VP Exploration of the Company.

Outstanding Share – Based Awards and Option-Based Awards

The following table sets forth information concerning all option-based and share-based awards in respect of the directors of the Company other than the Named Executive Officers that were granted before, and remain outstanding as of the most recently completed fiscal year ended June 30, 2010.

Name and Principal Position	Option-based Awards ⁽¹⁾				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options ⁽²⁾ (\$)	Number of Shares or units of Shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Anthony Floyd	200,000	0.10	June 3, 2015	40,000	-	-
Mark Lawson	200,000	0.10	March 4, 2015	40,000	-	-
Bernard Stannus	200,000	0.10	March 4, 2015	40,000	-	-

Notes:

- (1) The option-based awards relate to those stock options awarded pursuant to the Stock Option Plan.
(2) The value of unexercised in-the-money options was calculated based on the difference between the closing price of the Shares underlying the options as at June 30, 2010, which was \$0.20, and the exercise price of the option.

Incentive Plan Awards – Value Vested or Earned During the Fiscal Year Ended June 30, 2010

Name	Option-based awards-Value vested during the year (\$)	Share-based awards-Value vested during the year (\$)	Non-equity incentive plan compensation-Value earned during the (\$)
Anthony Floyd	30,000	-	-
Mark Lawson	4,000	-	-
Bernard Stannus	4,000	-	-

Item 18: INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No individual who is, or at any time since the beginning of the most recently completed financial year of the Company was, a director or executive officer of the Company or any of its subsidiaries and no associate of any such director, executive officer or proposed nominee, is indebted to the Company or any of its subsidiaries (other than for "routine indebtedness" as defined by applicable securities legislation) or has any indebtedness that is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries.

Item 19: AUDIT COMMITTEES AND CORPORATE GOVERNANCE

Audit Committee

The Company is required to have an audit committee comprised of not less than three directors, a majority of whom

are not officers, control persons or employees of the Company or an affiliate of the Company. At present, the Company's audit committee consists of Ronald Atlas, John Watt and Mark Lawson. John Watt and Mark Lawson are considered to be independent members of the Audit Committee are independent as they are not executive officers. Ronald Atlas is not independent due to his position as the Company's Chief Financial Officer. All three members of the Audit Committee are financially literate.

Relevant Education and Experience

NI 52-110 provides that an individual is "financially literate" if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

All of the members of the Company's audit committee are financially literate as that term is defined. Based on their business and educational experiences, each audit committee member has a reasonable understanding of the accounting principles used by the Company; an ability to assess the general application of such principles in connection with the accounting for estimates, accruals and reserves; experience analyzing and evaluating financial statements that present a breadth and level of complexity of issues that can reasonably be expected to be raised by the Company's financial statements, or experience actively supervising one or more individuals engaged in such activities; and an understanding of internal controls and procedures for financial reporting. Please see "Item 16 – Directors and Officers" for additional information regarding the education and experience of the Audit Committee members.

Charter of the Audit Committee of the Board of Directors

The following is the text of the Audit Committee's Charter:

Mandate

The primary function of the audit committee (the "Committee") is to assist the Company's Board of Directors in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company's systems of internal controls regarding finance and accounting and the Company's auditing, accounting and financial reporting processes. Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, the Company's policies, procedures and practices at all levels. The Committee's primary duties and responsibilities are to:

- serve as an independent and objective party to monitor the Company's financial reporting and internal control system and review the Company's financial statements;
- review and appraise the performance of the Company's external auditors; and
- provide an open avenue of communication among the Company's auditors, financial and senior management and the Board of Directors.

Composition

The Committee shall be comprised of a minimum three directors as determined by the Board of Directors. If the Company ceases to be a "venture issuer" (as that term is defined in National Instrument 52-110), then all of the members of the Committee shall be free from any relationship that, in the opinion of the Board of Directors, would interfere with the exercise of his or her independent judgment as a member of the Committee.

If the Company ceases to be a "venture issuer" (as that term is defined in National Instrument 52-110), then all members of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Company's Audit Committee Charter, the definition of "financially literate" is the ability to read and understand a set of financial statements that

present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Company's financial statements. The members of the Committee shall be elected by the Board of Directors at its first meeting following the annual shareholders' meeting. Unless a Chair is elected by the full Board of Directors, the members of the Committee may designate a Chair by a majority vote of the full Committee membership.

Meetings

The Committee shall meet a least twice annually, or more frequently as circumstances dictate. As part of its job to foster open communication, the Committee will meet at least annually with the Chief Financial Officer and the external auditors in separate sessions.

Responsibilities and Duties

To fulfill its responsibilities and duties, the Committee shall:

Documents/Reports Review

- review and update this Audit Committee Charter annually; and
- review the Company's financial statements, MD&A and any annual and interim earnings press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.

External Auditors

- review annually, the performance of the external auditors who shall be ultimately accountable to the Company's Board of Directors and the Committee as representatives of the shareholders of the Company;
- obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Company, consistent with Independence Standards Board Standard 1;
- review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors;
- take, or recommend that the Company's full Board of Directors take appropriate action to oversee the independence of the external auditors, including the resolution of disagreements between management and the external auditor regarding financial reporting;
- recommend to the Company's Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval;
- recommend to the Company's Board of Directors the compensation to be paid to the external auditors;
- at each meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements;
- review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company;
- review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements; and
- review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:
- the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent of the total amount of revenues paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided,

- such services were not recognized by the Company at the time of the engagement to be non-audit services, and
- such services are promptly brought to the attention of the Committee by the Company and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board of Directors to whom authority to grant such approvals has been delegated by the Committee.

Provided the pre-approval of the non-audit services is presented to the Committee's first scheduled meeting following such approval such authority may be delegated by the Committee to one or more independent members of the Committee.

Financial Reporting Processes

- in consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external;
- consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting;
- consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management;
- review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments;
- following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information;
- review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements;
- review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented;
- review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters;
- review certification process;
- establish a procedure for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and
- establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

Other

- review any related-party transactions;
- engage independent counsel and other advisors as it determines necessary to carry out its duties; and
- to set and pay compensation for any independent counsel and other advisors employed by the Committee."

Audit Committee Oversight

At no time since the commencement of the Company's most recently completed financial period was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the board of directors.

Reliance on Certain Exemptions

The Company is relying on the exemption provided in section 6.1 of National Instrument 52-110 – *Audit Committees* ("NI 52-110") as the Company is a "venture issuer" and is exempt from the requirements of Part 5 (*Reporting Obligations*) of NI 52-110.

Pre-Approval Policies and Procedures

The audit committee charter provides for the audit committee to establish the auditors' fees. Such fees have been based upon the complexity of the matters in question and the time incurred by the auditors. Management of the Company believes that the fees negotiated in the past with the auditors of the Company were reasonable in the circumstances and would be comparable to fees charged by other auditors providing similar services.

External Auditor Service Fees

The following table sets forth the aggregate fees billed to the Company by Morgan & Company, Chartered Accountants, for services rendered in the fiscal years ended June 30, 2010 and 2009.

Service	Fiscal Year Ended June 30, 2010 (\$)	Fiscal Year Ended June 30, 2009 (\$)
Audit fees ⁽¹⁾	13,970	16,000
Audit-related fees	Nil	Nil
Tax fees ⁽²⁾	Nil	Nil
All other fees ⁽³⁾	Nil	Nil

Notes:

- (1) Audit and review services included quarterly reviews, audits and consultation work.
- (2) Tax services included tax compliance, tax advice and tax planning.
- (3) Other fees included expenses reimbursed for services rendered to the Corporation and its services, other than the services described above.

Corporate Governance

The Canadian Securities Administrators have adopted National Policy 58-201 – *Corporate Governance Guidelines* ("NP 58-201"), which provides guidance on corporate governance practices for issuers such as the Corporation and National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("NI 58-101"), which prescribes certain disclosure by the Company of its corporate governance practices. This disclosure is presented below.

Board of Directors

There are currently five directors of the Company: William Galine, Anthony Floyd, Ronald Atlas, Mark Lawson and John Watt. NP 58-201 states that the board of directors of every corporation should have a majority of independent directors. Three of the five directors of the Company are independent. William Galine and Ronald Atlas are not considered to be "independent" as a result of their positions as executive officers. The remaining directors are considered to be independent directors since they are all independent of management and free from any material relationship with the Company.

To facilitate the directors of the Company functioning independent of management, where appropriate, during regularly scheduled meetings, non-independent directors and members of management are excluded from certain discussions.

Directorships

Please see "Item 16 – *Other Reporting Issuer Experience*".

Orientation and Continuing Education

The Board has not adopted a formal policy on the orientation and continuing education of new and current directors. When a new director is appointed, the Board delegates individual directors the responsibility for providing an orientation and education program for any new director. This may be delivered through informal meetings between the new directors and the Board and senior management, complemented by presentations on the main areas of the Corporation's business. When required the Board may arrange for topical seminars to be provided to members of the Board or committees of the Board. Such seminars may be provided by one or more members of the Board and management or by external professionals.

Ethical Business Conduct

As some of the directors of the Company also serve as directors and officers of other companies, the Board must comply with the conflict of interest provisions of the BCBCA, as well as the relevant securities regulatory instruments, in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or officer has a material interest. Each director is required to declare the nature and extent of his interest and is not entitled to vote at meetings which involve such conflict.

Nomination of Directors

The Board performs the functions of a nominating committee with respect to appointment of directors. The Board believes that this is a practical approach at this stage of the Company's development. While there are not specific criteria for board membership, the Company attempts to attract and maintain directors with business knowledge, which assists in guiding management of the Company.

Compensation

The Company does not have a compensation committee. The Board reviews, as needed, compensation to directors and to officers with respect to industry comparables and with regards to the particular circumstances of the Company.

Other Board Committees

The Board has no other committees other than the Audit Committee.

Assessments

The Board conducts periodic assessments of its members including individual assessments to determine if the Board and the individual directors are performing efficiently. Based on the Company's size, stage of development and the limited number of individuals on the Board, the Board considers a formal assessment process to be inappropriate at this time. As the activities of the Company develop, it will consider the establishment of more formal evaluation procedures, including more quantitative measures of performance.

Item 20: AGENT, SPONSOR OR ADVISOR

The Company has been granted an exemption from the Exchange's sponsorship requirements in accordance with Section 3.4(a)(i) of the Exchange Policy 2.2 – *Sponsorship and Sponsorship Requirements*.

Item 21: RISK FACTORS

Limited Operating History

The Company is in the business of exploring and, if warranted, developing mineral properties, which is a highly speculative endeavor. The Company has no history of earnings. There are no known commercial quantities of mineral reserves on any properties optioned by the Company. There is no guarantee that economic quantities of mineral reserves will be discovered on any properties optioned by the Company in the near future or at all. If the Company does not generate revenue, it may be unable to sustain its operations in which case it may become insolvent and you may lose your investment.

Speculative Nature of Mineral Exploration

Resource exploration is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from

finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by the Company may be affected by numerous factors which are beyond the control of the Company and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals, and environmental protection, the combination of which factors may result in the Company not receiving an adequate return of investment capital. There is no assurance that the Company's mineral exploration activities will result in any discoveries of commercial bodies of ore. The long-term profitability of the Company's operations will in part be directly related to the costs and success of its exploration programs, which may be affected by a number of factors. Substantial expenditures are required to establish reserves through drilling and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis.

Acquisition of Additional Mineral Properties

If the Company loses or abandons its interest in the Morgan Peak Property, there is no assurance that it will be able to acquire another mineral property of merit.

Commercial Ore Deposits

The Morgan Peak Property is in the exploration stage only and is without a known body of commercial ore. Development of this property would follow only if favourable exploration results are obtained. The business of exploration for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines.

Uninsurable Risks

In the course of exploration, development and production of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions including rock bursts, cave-ins, fires, flooding and earthquakes may occur. It is not always possible to fully insure against such risks and the Company may decide not to take out insurance against such risks as a result of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the securities of the Company.

Permits And Government Regulations

The future operations of the Company may require permits from various federal, provincial and local governmental authorities and will be governed by laws and regulations governing prospecting, development, mining, production, export, taxes, labour standards, occupational health, waste disposal, land use, environmental protections, mine safety and other matters. There can be no guarantee that the Company will be able to obtain all necessary permits and approvals that may be required to undertake exploration activity or commence construction or operation of mine facilities on the Morgan Peak Property.

Environmental And Safety Regulations And Risks

Environmental laws and regulations may affect the operations of the Company. These laws and regulations set various standards regulating certain aspects of health and environmental quality. They provide for penalties and other liabilities for the violation of such standards and establish, in certain circumstances, obligations to rehabilitate current and former facilities and locations where operations are or were conducted. The permission to operate can be withdrawn temporarily where there is evidence of serious breaches of health and safety standards, or even permanently in the case of extreme breaches. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous owners of acquired properties or noncompliance with environmental laws or regulations. In all major

developments, the Company generally relies on recognized designers and development contractors from which the Company will, in the first instance, seek indemnities. The Company intends to minimize risks by taking steps to ensure compliance with environmental, health and safety laws and regulations and operating to applicable environmental standards. There is a risk that environmental laws and regulations may become more onerous, making the Company's operations more expensive.

Key Person Insurance

The Company does not maintain key person insurance on any of its directors or officers, and in result the Company would bear the full loss and expense of hiring and replacing any director or officer in the event the loss of any such persons by their resignation, retirement, incapacity, or death, as well as any loss of business opportunity or other costs suffered by the Company from such loss of any director or officer.

Mineral Titles

The claims on the Morgan Peak Property have not been legally surveyed. The Morgan Peak Property may be subject to prior unregistered agreements, transfers or claims and title may be affected by undetected defects. The Company is satisfied, however, that evidence of title to the Morgan Peak Property is adequate and acceptable by prevailing industry standards with respect to the current stage of exploration on the Morgan Peak Property. The Company may face challenges to the title to the Morgan Peak Property or subsequent properties it may acquire, which may prove to be costly to defend or could impair the advancement of the Company's business plan.

Loss of Interest in Morgan Peak Property or other Properties

The Company's ability to maintain an interest in the Morgan Peak Property or other properties that may be optioned by the Company from time to time will be dependent on its ability to raise additional funds by equity financing. The Company is required to incur US\$4,300,000 of expenditures on or prior to January 31, 2018 under the Morgan Peak Option Agreement. Failure to obtain additional financing may result in the Company being unable to make the periodic payments required to keep its property interests in good standing and could result in the delay or postponement of further exploration and or the partial or total loss of the Company's interest in the Morgan Peak Property.

Fluctuating Mineral Prices

The Company's revenues in the future, if any, are expected to be in large part derived from the extraction and sale of precious and base minerals and metals, which in turn depend on the results of the Company's exploration on these properties and whether development will be commercially viable or even possible. Factors beyond the control of the Company may affect the marketability of metals discovered, if any. Metal prices have fluctuated widely, particularly in recent years. Consequently, the economic viability of any of the Company's exploration projects cannot be accurately predicted and may be adversely affected by fluctuations in mineral prices.

Competition

The mining industry is intensely competitive in all its phases. The Company competes for the acquisition of mineral properties, claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees with many companies possessing greater financial resources and technical facilities than the Company. The competition in the mineral exploration and development business could have an adverse effect on the Company's ability to hire or maintain experienced and expert personnel or acquire suitable properties or prospects for mineral exploration in the future.

Management

The success of the Company is currently largely dependent on the performance of its directors and officers. The loss of the services of any of these persons could have a materially adverse effect on the Company's business and prospects. There is no assurance the Company can maintain the services of its directors, officers or other qualified personnel required to operate its business.

Financing Risks

The Company has no history of significant earnings and, due to the nature of its business, there can be no assurance that the Company will be profitable. The Company has paid no dividends on its shares since incorporation and does not anticipate doing so in the foreseeable future. The only present source of funds available to the Company is through the sale of its securities. Even if the results of exploration are encouraging, the Company may not have sufficient funds to conduct the further exploration that may be necessary to determine whether or not a commercially mineable deposit exists on the properties optioned by the Company. While the Company may generate additional working capital through further equity offerings or through the sale or possible syndication of the property optioned by the Company, there is no assurance that any such funds will be available. If available, future equity financing may result in substantial dilution to current shareholders. At present it is impossible to determine what amounts of additional funds, if any, may be required.

Price Volatility of Publicly Traded Securities

In recent years, the securities markets in Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur and any quoted market for the Common Shares will be subject to market trends generally, notwithstanding any potential success of the Company in creating revenues, cash flows or earnings.

Conflicts of Interest

Some of the directors and officers are engaged and will continue to be engaged in the search for additional business opportunities on behalf of other corporations, and situations may arise where these directors and officers will be in direct competition with the Company. Conflicts, if any, will be dealt with in accordance with the relevant provisions of the British Columbia *Business Corporations Act*. Some of the directors and officers of the Company are or may become directors or officers of other companies engaged in other business ventures. In order to avoid the possible conflict of interest which may arise between the directors' duties to the Company and their duties to the other companies on whose boards they serve, the directors and officers of the Company have agreed to the following:

- Participation in other business ventures offered to the directors will be allocated between the various companies and on the basis of prudent business judgment and the relative financial abilities and needs of the companies to participate;
- No commissions or other extraordinary consideration will be paid to such directors and officers; and business opportunities formulated by or through other companies in which the directors and officers are involved will not be offered to the Company except on the same or better terms than the basis on which they are offered to third party participants.

Dividends

The Company does not anticipate paying any dividends on its Common Shares in the foreseeable future.

Item 22: PROMOTERS

None.

Item 23: LEGAL PROCEEDINGS AND REGULATORY ACTIONS

The Company is and has not been a party to any legal proceedings since the beginning of the most recently completed financial year, and to the Company's knowledge, no legal proceedings involving the Company are anticipated.

The Company is not subject to any penalties or sanctions imposed by a court relating to provincial and territorial securities legislation or any settlement agreements entered into before a court relating to provincial and territorial securities legislation or with a securities regulatory authority within the three years immediately preceding the date of this Listing Application.

Item 24: INTERESTS OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as described in this Listing Application, none of the directors or executive officers of the Company, and no associate or affiliate of the foregoing persons, has, or has had, any material interest, direct or indirect, in any transaction or in any proposed transaction that has materially affected or will materially affect the Company or any of its subsidiaries.

Item 25: INVESTOR RELATIONS ARRANGEMENTS

The Company has not entered into any written or oral agreement or understanding with any person to provide any promotional or investor relations services for the Company.

Item 26: AUDITORS, TRANSFER AGENTS AND REGISTRARS

The Auditors of the Company are DeVisser Gray, Chartered Accountants, with offices at 401-905 West Pender Street, Vancouver, B.C. V6C 1L6. Morgan & Company were the Company's former auditors.

The Registrar and Transfer Agent for the Company is Computershare Trust Company of Canada, with offices at 510 Burrard Street, 3rd Floor, Vancouver, B.C.V6C 3B9.

Item 27: MATERIAL CONTRACTS

The following are the material contracts entered into by the Company since incorporation and that are in effect at the time of this Listing Application:

- Option Agreement dated February 1, 2010 between the Company and MinQuest Inc.; and
- Assignment Agreement dated March 10, 2010 between the Company and the Company's wholly-owned Nevada subsidiary, Toro Resources Corp.

Copies of these material contracts have been filed and are available for inspection on SEDAR.

Item 28: EXPERTS

The following professional persons have prepared reports or have provided opinions that are either included in or referred to in this Listing Application:

- a) Paul D. Noland, Consulting Geologist CPG, prepared a technical report in accordance with NI 43-101 entitled "Technical Report on the Morgan Peak Property, Gila County, Arizona" dated November 1, 2010.
- b) Morgan & Company, Chartered Accountants, provided an auditor's report on the financial statements of the Company for each of the fiscal years ended June 30, 2010, 2009 and 2008.

- c) DeVisser Gray, Chartered Accountants, reviewed the interim financial statements for the six month period ended December 31, 2010.

No person or company whose profession or business gives authority to a statement made by the person of company and who is named as having prepared or certified a part of this Application or as have prepared or certified a report or valuation described or included in this Application holds any beneficial interest, direct or indirect, in any securities or property of the Company or of an Associate or affiliate of the Company and no such person is expected to be elected, appointed or employed as a director, senior officer or employee of the Company or of an Associate or affiliate of the Company. Morgan & Company and DeVisser Gray are independent of the Company in accordance with the rules of professional conduct of the Institute of Chartered Accountants of British Columbia.

Item 29: OTHER MATERIAL FACTS

To the best of the Company's knowledge, there are no other material facts in respect of Toro which are not disclosed elsewhere in this Listing Application.

Item 30: ADDITIONAL INFORMATION – MINING OR OIL AND GAS APPLICANTS

There is no additional information to be included under this part.

Item 31: EXEMPTIONS

There is no information to be provided under this part.

Item 32: FINANCIAL STATEMENT DISCLOSURE FOR ISSUERS

The following financial statements are hereby incorporated by reference into this Listing Application:

- a) The audited annual financial statements of the Company for the fiscal years ended June 30, 2010, 2009, and 2008 are filed on SEDAR.
- b) The unaudited interim financial statements of the Company for the six month interim period ended December 31, 2010 are filed on SEDAR.

Item 33: SIGNIFICANT ACQUISITIONS

There is no additional information to be included under this part.

Item 34: CERTIFICATES

34.1 Certificate of Applicant

Follows on the next page.

34.2 Certificate of Sponsor

Follows on the next page.

CERTIFICATE OF TORO RESOURCES CORP.

Each of the undersigned hereby certifies that the foregoing constitutes full, true and plain disclosure of all information required to be disclosed under each item of this Application and of any material fact not otherwise required to be disclosed under an item of this Application.

Dated: May 20, 2011.

/s/ William Galine

William Galine
Chief Executive Officer

/s/ Ronald Atlas

Ronald Atlas
Chief Financial Officer

34.3: Acknowledgement – Personal Information

"Personal Information" means any information about an identifiable individual.

The Applicant hereby represents and warrants that it has obtained all consents required under applicable law for the collection, use and disclosure by the Exchange of the Personal Information contained in or submitted pursuant to this Application for the purposes described in Appendix "A" to this Application.

Dated: May 20, 2011

TORO RESOURCES CORP.

/s/ William Galine

By: William Galine
President, Chief Executive Officer and Director

APPENDIX "A"
FORM 2B PERSONAL INFORMATION COLLECTION POLICY

Collection, Use and Disclosure

TSX Venture Exchange Inc. and its affiliates, authorized agents, subsidiaries and divisions, including TSX Venture Exchange and Toronto Stock Exchange, (collectively referred to as the "Exchange") collect the information contained in or submitted pursuant to Form 2B (which may include personal, confidential, non-public or other information) and use it for the following purposes:

- to conduct background checks,
- to verify the Personal Information that has been provided about each individual,
- to consider the suitability of the individual to act as an officer, director, insider, promoter, investor relations provider or, as applicable, an employee or consultant, of the Applicant,
- to consider the eligibility of the Applicant to list on the Exchange,
- to provide disclosure to market participants as to the security holdings of directors, officers, other insiders and promoters of the Applicant, or its associates or affiliates, including information as to such individuals' involvement with any other reporting issuers
- to detect and prevent fraud, and
- to perform other investigations as required by and to ensure compliance with all applicable rules, policies, rulings and regulations of the Exchange, securities legislation and other legal and regulatory requirements governing the conduct and protection of the capital markets in Canada.

Personal Information the Exchange collects may also be disclosed:

- (a) to securities regulators and regulatory authorities in Canada or elsewhere, investigative, law enforcement or self-regulatory organizations, and each of their subsidiaries, affiliates, regulators and authorized agents, for the purposes described above, and these agencies and organization may use the information in their own investigations;
- (b) on the Exchange's website or through printed materials published by or pursuant to the directions of the Exchange for the purposes described above; and
- (c) as otherwise permitted or required by law.

The Exchange may from time to time use third parties to process information or provide other administrative services. In this regard, the Exchange may share the information with such third party service providers for the purposes described above.

Questions

If you have any questions or enquiries regarding the policy outlined above or about our privacy practices, please send a written request to: Chief Privacy Officer, TMX Group, The Exchange Tower, 130 King Street West, Toronto, Ontario, M5X 1J2.