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NEITHER THE TSX VENTURE EXCHANGE, NOR ANY SECURITIES REGULATORY AUTHORITY HAS IN ANY WAY PASSED UPON THE MERITS OF THE SECURITIES OFFERED UNDER THIS EXCHANGE SHORT FORM OFFERING DOCUMENT.

**TSX VENTURE EXCHANGE
SHORT FORM OFFERING DOCUMENT
(the “Offering Document”)**

DATED: April 8, 2011

**BLUE COVE CAPITAL CORP.
(the “Issuer”)**

Suite 1305 – 1090 West Georgia Street
Vancouver, British Columbia, V6E 3V7
Telephone: (604) 685-9316 / Facsimile: (604) 683-1585

Agent:

Canaccord Genuity Corp.
2200 – 609 Granville Street
Vancouver, B.C. V7Y 1H2

Registrar and Transfer Agent:

Valiant Trust Company
600 – 750 Cambie Street
Vancouver, B.C. V6B 2P2

Offering: \$2,000,000 Maximum

UP TO 2,000,000 SHARES AT A PRICE OF \$1.00 PER SHARE

This Offering Document qualifies for distribution up to 2,000,000 common shares in the capital of the Issuer (the “Shares”) at a price of \$1.00 per Share (the “Offering”). See “Plan of Distribution”.

The Common Shares are listed on the NEX board of the TSX Venture Exchange Inc. (the “Exchange”) under the symbol BCV.H.

	Number of Shares	Price to Public⁽¹⁾	Agent’s Commission⁽²⁾	Net Proceeds to the Issuer⁽³⁾
Per Share	1	\$1.00	\$0.07	\$0.93
Total Offering Maximum	2,000,000	\$2,000,000	\$140,000	\$1,860,000

(1) The price of the Shares offered has been established by negotiation between the Issuer and Canaccord Genuity Corp. (the “Agent”).

(2) The Issuer has agreed to pay to the Agent a fee equal to 7% of the gross proceeds received by the Issuer on the issue and sale of the Shares (the “Agent’s Commission”), which commission may be payable in cash or Units (as defined below) at the option of the Agent. The Issuer has also agreed to issue to the Agent that number of warrants (“Agent’s Warrants”) equal to 7% of the aggregate number of Shares sold pursuant to the Offering. Each Agent’s Warrant will be exercisable for a period of 24 months into one common share (an “Agent’s Warrant Share”) at an exercise price of \$1.00 per Agent’s

Warrant Share. The Issuer has also agreed to issue to the Agent 125,000 units as a corporate finance fee (the “**Agent’s Corporate Finance Units**”). See “Plan of Distribution” and “Appointment of Agent”.

- (3) After deducting the Agent’s Commission, and before deducting the other costs of this Offering, and expenses relating to the completion of the Qualifying Transaction, estimated to be \$350,000, which includes the Agent’s Commission payable in cash and the Issuer’s legal, accounting and other offering expenses. See “Use of Proceeds”.

Pursuant to an agency agreement between the Issuer and the Agent, the Issuer is also undertaking a brokered private placement (the “**Brokered Private Placement**” and, collectively with the Offering, the “**Brokered Financings**”) of up to 3,500,000 units (the “**Units**”) at a price of \$1.00 per Unit, for proceeds of up to \$3,500,000. Each Unit will consist of one common share in the capital of the Issuer (a “**Common Share**”) and one half of one common share purchase warrant (a “**Warrant**”). Each whole Warrant will entitle the holder to acquire one additional Common Share (a “**Warrant Share**”) for a period of 24 months from the date of issuance at a price of \$1.30 per Warrant Share. Units sold pursuant to the Brokered Private Placement will be subject to hold periods prescribed by applicable law.

Concurrent with the closing of the Brokered Financings, the Issuer expects to complete a non brokered private placement (the “**Non Brokered Private Placement**” and, collectively with the Brokered Financings, the “**QT Financing**”) of up to 4,500,000 additional Units (and together with the Units issued under the Brokered Private Placement, a “**QT Unit**”) at a price of \$1.00 per Unit, for proceeds of up to \$4,500,000. Units sold pursuant to the Non Brokered Private Placement will be subject to hold periods prescribed by applicable law.

Each Agent’s Corporate Finance Unit will consist of one Common Share (the “**Agent’s Corporate Finance Share**”) and one half of one common share purchase warrant (an “**Agent’s Corporate Finance Warrant**”). Each whole Agent’s Corporate Finance Warrant is exercisable to purchase an aggregate of 62,500 Common Shares at an exercise price of \$1.30 per Common share for a period of two years from the completion of the Qualifying Transaction.

Concurrent with the close of the QT Financing, the Issuer expects to complete the acquisition (the “**Acquisition**”) of the exploration stage property located in Colombia and comprised of the Santa Elena Concessions (the “**Property**”), as more fully described in the Filing Statement (as hereinafter defined). The Acquisition is the proposed Qualifying Transaction (as defined in the policies of the Exchange) of the Issuer. Upon the closing of the Acquisition, the Issuer intends to change its name to “CuOro Resources Corp.” and will be a natural resource company engaged in the acquisition, exploration and development of mineral properties, with its primary focus on the Property (the “**Resulting Issuer**”).

The Offering is not subject to any minimum subscription level.

Subscribers for Shares hereunder may be required to pay commissions at the rates charged by their brokers.

The information provided in this Offering Document is supplemented by disclosure contained in the documents listed below which are incorporated by reference into this Offering Document (the “**Incorporated Documents**”). These documents must be read together with this Offering Document in order to provide full, true and plain disclosure of all material facts relating to the securities offered by this Offering Document. The documents listed below are not contained within, or attached to this Offering Document, and will be provided by the Issuer, at no charge, upon request. Alternatively, the documents may be accessed by the reader of the Offering Document at the following locations:

Type of Document	Filing Date on SEDAR	Location at which document may be accessed
Filing Statement dated March 31, 2011 (the “ Filing Statement ”)	April 11, 2011	www.sedar.com
National Instrument 43-101 technical report dated March 28, 2011 (the “ Technical Report ”)	April 11, 2011	www.sedar.com
Audited annual financial statements for the years ended November 30, 2010 and 2009 and audited consolidated financial statements for the years ended November, 30 2009 and 2008	February 25, 2011 March 30, 2010	www.sedar.com
Management’s Discussion & Analysis as at and for the years ended November 30, 2010, 2009 and 2008	February 25, 2011 March 30, 2010	www.sedar.com

Any material change report required to be filed no later than 10 days after a material change under applicable securities laws, as a result of a material change that occurs after the date of this Offering Document is certified, but before a purchaser enters into an agreement of purchase and sale (a “**Subsequently Triggered Report**”), will be deemed to be incorporated by reference into this Offering Document.

Copies of documents incorporated herein by reference may also be obtained, upon request, without charge from the Issuer at Suite 1305 – 1090 West Georgia Street, Vancouver, British Columbia, V6E 3V7, telephone: (604) 685-9316.

Securities offered by this Offering Document are being offered under an exemption from the prospectus requirements. Purchasers may not receive all of the information required by or have all of the rights available to a purchaser under a prospectus.

The Information contained in this Offering Document as well as information contained in the Incorporated Documents or any Subsequently Triggered Report are accurate only as of the respective dates of such documents. To the extent that there are conflicts between information in an Incorporated Document and this Offering Document, the information in this Offering Document should be relied upon. To the extent that there are conflicts between this Offering Document and the information in a Subsequently Triggered Report, information in the Subsequently Triggered Report should be relied upon.

The Incorporated Documents contain meaningful and material information relating to the Issuer and prospective purchasers of the Shares should review all Incorporated Documents before making an investment decision.

Caution Regarding Forward-Looking Statements

Certain statements in this Offering Document and the Incorporated Documents are forward-looking statements or information (collectively “**forward- looking statements**”) within the meaning of applicable securities legislation. We are hereby providing cautionary statements identifying important factors that could cause the actual results to differ materially from those projected in the forward-looking statements. Any statements that express, or involve discussions as to expectations, beliefs, plans, objectives, assumptions or future events or performance are not historical facts and may be forward-looking and may involve estimates, assumptions and uncertainties which could cause actual results or outcomes to differ materially from those expressed in the forward-looking statements.

Often, but not always, forward-looking information can be identified by the use of words such as “plans”, “expects”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, or “believes” or the negatives thereof or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved.

Forward-looking information in this Offering Document and the Incorporated Documents includes, but is not limited to:

- statements related to the completion of the Acquisition and the events related thereto and contingent thereon;
- information with respect to our future financial and operating performance and that of our affiliates and subsidiaries;
- our management’s skill and knowledge with respect to the exploration and development of mining properties in Colombia, and the relevance of that skill and knowledge to the Property;
- our plan to pursue the exploration of the Property;
- our ability to successfully obtain any necessary environmental licenses;
- our ability to successfully obtain any required extensions of the exploration phase of the Santa Elena Concessions;
- future exploration and development activities, and the costs and timing of those activities;
- timing and receipt of approvals, consents and permits under applicable legislation;
- our assessment of potential environmental liabilities;
- results of future exploration and drilling;
- estimation of metallurgical response of ores to processing methods;
- metals prices;
- adequacy of financial resources;
- forward-looking information attributed to third party industry sources; and
- statements related to our expected executive compensation.

Forward-looking information is based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect. We believe that the assumptions and expectations reflected in such forward-looking information are reasonable. Assumptions have been made regarding, among other things: our ability to carry on exploration and development activities, the timely receipt of required approvals, the price of metals, our ability to operate in a safe, efficient and effective manner and our ability to obtain financing as and when required and on reasonable terms. Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used.

By their nature, forward-looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, which contribute to the possibility that the predicted outcomes may not occur or may be delayed. The risks, uncertainties and other factors, many of which are beyond the control of the Issuer or the Resulting Issuer, that could influence actual results include, but are not limited to: limited operating history; exploration, development and operating risks; regulatory risks; substantial capital requirements and liquidity; financing risks and dilution to shareholders; competition; reliance on management and dependence on key personnel; fluctuating mineral prices and marketability of minerals; title to the properties; risks of foreign operations; local resident concerns; no mineral reserves or mineral resources; environmental risks; governmental regulations and licenses and permits; management inexperience in developing mines; conflicts of interest of management; uninsurable risks; exposure to potential litigation; dividends; and other factors beyond the control of the Issuer or the Resulting Issuer. See “Risk Factors”.

Our forward-looking statements are based on the reasonable beliefs, expectations and opinions of management on the date of this Offering Document. Although we have attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There is no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. We do not undertake to update any forward-looking information, except as, and to the extent required by, applicable securities laws.

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PLAN OF DISTRIBUTION

The Offering

The Issuer, through the Agent, hereby offers up to 2,000,000 Shares at the offering price of \$1.00 per Share.

The Offering will be made in accordance with the rules and policies of the Exchange and will take place on a day, as determined by the Agent and the Issuer, within 60 days from the date of acceptance of this Offering Document by the Exchange (the “**Offering Day**”). The settlement date for this Offering when the Shares are issued by the Issuer upon receipt of payment in full (the “**Closing**”) will take place on the day after the Offering Day as agreed by the Issuer and the Agent.

This distribution is being made only to residents of British Columbia and Alberta and certain other provinces of Canada other than Ontario and Quebec, and in such other jurisdictions as mutually agreed to by the Issuer and the Agent outside of Canada and the United States where the Units may lawfully be sold (the “Selling Jurisdictions”).

The Offering is not subject to any minimum subscription.

Appointment of Agent

Pursuant to an agreement dated for reference April 8, 2011 (the “**Agency Agreement**”) between the Issuer and the Agent, the Agent has agreed to act as the Issuer’s agent to offer for sale, on a commercially reasonable efforts basis, the Shares offered herein subject to the terms and conditions of the Agency Agreement. The Agent may, but is not obliged to, purchase any of the Shares. The Agent will receive the Agent’s Commission equal to 7% of the gross proceeds received by the Issuer on the issue and sale of the Shares, which commission may be payable in cash or Units at the option of the Agent. The Agent will also receive that number of Agent’s Warrants equal to 7% of the aggregate number of Shares sold pursuant to the Offering, with each Agent’s Warrant exercisable into one Agent’s Warrant Share at an exercise price of \$1.00 per Agent’s Warrant Share for a period of 24 months from Closing. The Agent will also receive a corporate finance fee of 125,000 Corporate Finance Units. The Corporate Finance Units will have the same composition as the Units offered pursuant to the Brokered Private Placement and the Non Brokered Private Placement.

The Agent will solicit subscriptions for Shares only in the provinces of British Columbia and Alberta and certain other provinces of Canada other than Ontario and Quebec, and in such other jurisdictions as mutually agreed to by the Issuer and the Agent outside of Canada and the United States where the Shares may lawfully be sold. The Agent reserves the right to offer selling group participation, in the normal course of the brokerage business to selling groups of other licensed brokers and investment dealers who may or may not be offered part of the commission or the Agent’s Warrants.

The purchasers of any Shares under the Offering may be required to pay commissions at the rates charged by their brokers.

The Agent may terminate its appointment as agent at any time before the Closing upon written notice thereof to that effect.

The Issuer has granted the Agent a right of first refusal to provide any future brokered equity financing the Issuer proposes to conduct for a period commencing on February 1, 2011 being the effective date of

the engagement letter between the Issuer and the Agent entered into in connection with the Offering and ending one year from Closing.

Other than as disclosed above, there are no payments in cash, securities or other consideration being made, or to be made, to a promoter, finder or any other person or company in connection with the Offering. The directors, officers and other insiders of the Issuer may purchase Shares from the Offering.

Securities Legislation Exemptions

The Shares in this Offering are being distributed pursuant to Part 5 of National Instrument 45-106 Prospectus and Registration Exemptions (the “**Instrument**”), which provides an exemption from the prospectus requirements of the Securities Laws in the applicable Participating Jurisdictions. For the purposes of this Offering Document, “**Securities Laws**” means securities legislation, securities regulation and securities rules, as amended, and the policies, notices, instruments and blanket orders in force from time to time that are applicable to the Issuer, and “**Participating Jurisdictions**” means all provinces and territories of Canada other than Ontario.

In order to rely on the exemptions provided in the Instrument the following provisions will apply to the Offering:

- (a) the number of Common Shares distributed by the Issuer under the Offering, when aggregated with the Common Shares of the Issuer distributed under all Short Form Offerings during the 12 month period prior to the date of this Offering Document, may not exceed either:
 - (i) the number of Common Shares issued and outstanding immediately before the Issuer distributes Shares under this Offering Document; or
 - (ii) the number of Common Shares issued and outstanding immediately before the Issuer issued Common Shares under a Short Form Offering Document that was completed during the 12 month period immediately preceding the date of this Offering Document;
- (b) the gross proceeds of the Offering, when added to the gross proceeds from all Short Form Offerings (excluding the proceeds from the exercise of any warrants included therein) completed during the 12 month period immediately preceding the date of this Offering Document, may not exceed \$2,000,000;
- (c) pursuant to the Instrument, if the aggregate acquisition cost of the Shares to any purchaser exceeds \$40,000 (the “**Threshold Amount**”) then any Shares purchased by that purchaser in excess of the Threshold Amount will be subject to a four month hold period;
- (d) all Shares acquired by a purchaser who is, at the time of Closing, an insider or promoter of the Issuer, the Agent, or a member of the Professional Group (a “**Designated Hold Purchaser**”), will be subject to a hold period which will run for four months from the date of Closing;
- (e) pursuant to the Instrument, no more than 50% of the Shares sold hereunder may be subject to the four month hold period; and
- (f) no purchaser may acquire more than 20% of the Units being distributed in this Offering.

Professional Group

As at April 8, 2011, the members of the Professional Group beneficially own, directly or indirectly, 758,089 Shares.

For the purposes of this Offering Document, “**Professional Group**” means a group comprising of a registrant and all of the following persons or companies:

- (a) any employee of the registrant;
- (b) any partner, officer or director of the registrant;
- (c) any affiliate of the registrant; and
- (d) any associated party of any person or company described in paragraphs (a) through (c) or of the registrant.

USE OF PROCEEDS

Funds Available

The total funds available to the Resulting Issuer after giving effect to the Acquisition and the QT Financing (the “**Funds Available**”) are estimated to be \$9,193,900 if the full \$2,000,000 maximum Offering (the “**Maximum Offering**”) is achieved, as derived from the following sources:

<u>Source</u>	<u>Amount (\$)</u>
Estimated consolidated working capital available to the Issuer as at February 28, 2011	\$275,000
Net proceeds from the QT Financing after giving effect to the Acquisition and the QT Financing	\$8,919,327 ⁽¹⁾
Total funds available to the Resulting Issuer after giving effect to the Acquisition and the QT Financing	\$9,194,327

Notes:

- (1) Based on the Issuer raising gross proceeds of \$10,000,000 less \$385,000 in commissions (assuming the Agent elects to receive the commission in cash), \$485,673 cash paid to the vendors pursuant to the purchase agreement (amount converted from US\$ to Canadian dollars at March 30, 2011 at the closing rate published by the Bank of Canada, being \$1.00 = US\$1.0295) and \$210,000 in estimated additional costs to complete the Acquisition. See “Information concerning the Issuer – General Development of the Business – Financing” in the Filing Statement.

Principal Purposes

The Issuer intends to use the Funds Available as set out in the estimates below:

<u>Item</u>	<u>Approximate Amount (\$)</u>
Remaining costs to complete the Qualifying Transaction ⁽¹⁾	\$210,000
Fees payable in connection with the QT Financing ⁽²⁾	\$385,000

Item	Approximate Amount (\$)
Cash Payment payable to the Vendors on the Closing Date and during the next 12 months ⁽³⁾	\$485,673
General and Administrative costs for the next 12 months (including legal and accounting fees) ⁽⁴⁾	\$1,200,000
Costs relating to Phase I work program on the Property ⁽⁵⁾	\$597,377
Costs relating to Phase II work program on the Property ⁽⁵⁾	\$2,472,074
Costs associated with keeping the Property in good standing ⁽⁵⁾	\$51,481
Unallocated Working Capital	\$4,873,395
Total	\$10,275,000

Notes:

- (1) The remaining costs to complete the Qualifying Transaction include the following approximations: \$10,000 for accounting and auditing services; \$110,000 for legal fees; \$50,000 for sponsorship fees; and \$50,000 for regulatory fees.
- (2) The Agent's commission may be payable in QT Units, at the option of the Agent.
- (3) Amount converted from US\$ to Canadian dollars at March 30, 2011 at the closing rate published by the Bank of Canada, being \$1.00 = US\$1.0295.
- (4) The general and administration expenses for the next 12 months include executive officer, employee and consultant compensation and travel expenses, rent, office and administrative fees, accounting and auditing services and legal fees related to operations.
- (5) Amount converted from US\$ to Canadian dollars at March 30, 2011 at the closing rate published by the Bank of Canada, being \$1.00 = US\$1.0295.

The Issuer intends to spend the Funds Available to it as stated above. There may be circumstances, however, where, for sound business reasons, a reallocation of funds may be necessary. Additionally, the principal purposes indicated above are based on the Issuer's current information regarding project costs, results, and other factors, and are subject to revision as new information or interpretations become available.

Any proceeds from the exercise of the Warrants, Agent's Warrants or Agent's Corporate Finance Warrants will be added to the Issuer's working capital.

No proceeds of this Offering are proposed to be paid to non arm's length parties related parties except for the payment of management salaries and fees and the reimbursement of expenses in the normal course of business.

BUSINESS OF THE ISSUER

Corporate Structure

The full corporate name of the Issuer is "Blue Cove Capital Corp." The Issuer's head office is located at Suite 1305 – 1090 West Georgia Street, Vancouver, British Columbia, V6E 3V7. The registered office is c/o McMillan LLP, Suite 1500 – 1055 West Georgia Street, Vancouver, British Columbia, V6E 4N7.

The Issuer was incorporated under the BCBCA on October 23, 2007.

General Development of the Business

The Issuer is a CPC and the sole business of the Issuer since incorporation has been to identify and evaluate opportunities for the acquisition of an interest in assets or businesses and once identified and evaluated, to negotiate an acquisition or participation subject to any approvals as required under applicable corporate and securities laws and subject to acceptance by the Exchange so as to complete a Qualifying Transaction. Until the completion of the Qualifying Transaction, the Issuer will not have a business, business operations or any material assets other than cash and currently has no written or oral agreements in principle for the acquisition of an asset or business other than the Purchase Agreement.

The Issuer pursued a previous transaction that was intended to constitute the Issuer's Qualifying Transaction. The transaction was terminated effective February 19, 2010 following the inability to obtain necessary financing.

Santa Elena Property

The Santa Elena Property is the subject of a technical report (the "**Technical Report**") titled "Technical Report on the Santa Elena Project, Department of Antioquia, Colombia" and dated effective March 28, 2011, prepared in compliance with NI 43-101 by Michel Rowland, P.Geol.

The Santa Elena Project is an early stage mineral exploration project located approximately one hundred and forty kilometres northeast of the City of Medellin, Colombia. The Santa Elena Project consists of two mining titles, HJIG-02 and HGLE-02 totaling 1,287.5 hectares located within the municipality of Guadalupe, in the Department of Antioquia, Colombia and contains the El Azufra and El Arroyo VMS sulphide deposits.

The Company plans to explore the Santa Elena Property with the intention of developing one, or more, potentially economic reserves. The exploration program will consist of two phases: Phase I will be exploratory and will begin immediately. Once Phase I is complete, Phase II, which involves the first stage of reconnaissance drilling to establish boundaries and validate mineralization of one or more deposits, will commence.

The 2011 budget to complete Phase I and Phase II of the recommended work program is US\$3,160,000. Details of the recommended exploration programs are as follows:

Proposed Expenditures

Phase 1	Cost (US\$)
Head Office Services	\$50,000
Project Management/Staff Cost	\$60,000
Expense Account/Travel Costs	\$50,000
Holding & Option Costs	\$10,000
Satellite Imagery & Digital Elevation Model	\$50,000
Geology – Mapping & Sampling	\$40,000
Airborne Geophysics – Mobilization	\$15,000

Field equipment purchases	\$80,000
Geophysical Consulting – Supervision & Interpretation	\$20,000
Field Labor	\$25,000
Analyses (including shipping)	\$40,000
Accommodations/Camp Costs/Build core shack and logging station	\$40,000
Security & Social	\$25,000
Transportation & Communications	\$50,000
Contingency	\$60,000
<i>Total – Phase 1</i>	<i>\$615,000</i>
Phase 2	
Head Office Services	\$50,000
Project Management/Staff Cost	\$60,000
Expense Account/Travel Costs	\$25,000
Holding & Option Costs	\$175,000
Field equipment purchases	\$120,000
Site preparation and drill mobilization	\$50,000
Field Geologist	\$60,000
Extension of Knapp Tunnel	\$50,000
Soil Sampling	\$25,000
Drilling (10,000m at \$160/m)	US\$1,600,000
Core Logging	\$25,000
Field Labor	\$50,000
Analyses (including shipping)	\$25,000
Accommodation/Camp Costs	\$50,000
Transportation/Communications/Shipping	\$25,000
Security & Social	\$50,000
Environmental Studies	\$25,000
Contingency	\$80,000
<i>Total – Phase 2</i>	<i>US\$2,545,000</i>
Total – Phases 1 and 2	US\$3,160,000

It is expected that Phase I could be completed in July 2011 and Phase 2 could be completed in December 2011. Factors which may delay or impede the foregoing table include the assembly of a qualified technical team and drill contract services, mechanical delays relating to the drill rig and other related equipment, site access, weather, strikes, acts of war, terrorist activities, death or illness of key personnel or natural disasters.

The foregoing is a general summary of the Santa Elena Property and is intended to be supplemented by further detailed information concerning the Issuer, the Acquisition and the Santa Elena Property contained in the Filing Statement and the Technical Report, which are specifically incorporated by reference herein, as filed on SEDAR and may be viewed under the Issuer's filings at www.sedar.com.

Upon completion of the Acquisition, the Issuer will be a Tier 2 mining issuer, pursuant to the policies of the Exchange. **The Exchange has conditionally accepted the Qualifying Transaction, subject to the Issuer fulfilling all of the requirements of the Exchange and subject to the completion of the QT Financing.** The Issuer does not intend to accept any subscriptions under this Offering unless the acceptance thereof will enable the Issuer to satisfy the conditions of the Exchange's approval of the Qualifying Transaction. The Agency Agreement contains a condition to closing that the Agent must receive satisfactory evidence that upon closing of the Acquisition and the Offering, the Issuer will be in a position to meet all of the conditions of the Exchange.

RISK FACTORS

An investment in the securities of the Issuer is highly speculative and involves a significant degree of risk. The Issuer has incurred losses and expects to incur further losses in the foreseeable future. In addition to other information contained in this Offering Document, the following factors should be considered carefully by prospective investors:

An investment in the Resulting Issuer is speculative. An investment in the Resulting Issuer will be subject to certain material risks and investors should not invest in securities of the Resulting Issuer unless they can afford to lose their entire investment. The following is a description of certain risks and uncertainties that may affect the business of the Resulting Issuer.

Completion of the Acquisition

The completion of the Acquisition is subject to several conditions under the Purchase Agreement, including acceptance by the Exchange. There can be no assurance that Exchange approval will be obtained. If any of those conditions are not satisfied or waived, the Acquisition will not be completed. If the Acquisition does not complete, the Issuer will continue to search for other opportunities; however, it will have incurred significant costs associated with the Acquisition.

Trading Suspension and Possible Delisting

Effective April 7, 2010, trading in Blue Cove Shares was suspended because the Issuer did not complete a Qualifying Transaction by April 6, 2010. The Issuer was placed on notice to either complete its Qualifying Transaction by July 6, 2010 or file all of the documentation required to transfer to NEX on or before July 6, 2010 or the Exchange would delist the Issuer. The NEX comprises listed issuers that do not meet the Exchange's Tier 2 tier maintenance requirements (including suspended CPC's which have not completed a Qualifying Transaction. On July 6, 2010, the Issuer, as a result of not being able to complete its Qualifying Transaction in a timely manner and pursuant to the policies of the Exchange, started trading on NEX and cancelled 1,100,000 common shares held in escrow. Pursuant to the TSX Venture Exchange Bulletin dated December 13, 2010, trading in the Issuer's securities was halted. Trading in the Issuer's securities resumed on March 9, 2011. Upon the completion of the Issuer's Qualifying Transaction, the Issuer will graduate from the NEX onto the Exchange.

Limited Operating History

The Issuer is a relatively new company with limited operating history and no history of business or mining operations, revenue generation or production history. The Issuer was incorporated on October 23, 2007 and has yet to generate a profit from its activities. The Resulting Issuer will be subject to all of the business risks and uncertainties associated with any new business enterprise, including the risk that it will not achieve its growth objective. The Resulting Issuer anticipates that it may take several years to achieve positive cash flow from operations.

Exploration, Development and Operating Risks

The exploration for and development of minerals involves significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. Few properties which are explored are ultimately developed into producing mines. There can be no guarantee that the estimates of quantities and qualities of minerals disclosed will be economically recoverable. With all mining operations there is uncertainty and, therefore, risk associated with operating parameters and costs resulting from the scaling up of extraction methods tested in pilot conditions. mineral exploration is speculative in nature and there can be no assurance that any minerals discovered will result in an increase in the Resulting Issuer's resource base.

The Resulting Issuer's operations will be subject to all of the hazards and risks normally encountered in the exploration, development and production of minerals. These include unusual and unexpected geological formations, rock falls, seismic activity, flooding and other conditions involved in the extraction of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. Although precautions to minimize risk will be taken, operations are subject to hazards that may result in environmental pollution, and consequent liability that could have a material adverse impact on the business, operations and financial performance of the Resulting Issuer.

Substantial Capital Requirements and Liquidity

Substantial additional funds for the establishment of the Resulting Issuer's current and planned mining operations will be required. No assurances can be given that the Resulting Issuer will be able to raise the additional funding that may be required for such activities, should such funding not be fully generated from operations. mineral prices, environmental rehabilitation or restitution, revenues, taxes, transportation costs, capital expenditures and operating expenses and geological results are all factors which will have an impact on the amount of additional capital that may be required. To meet such funding requirements, the Resulting Issuer may be required to undertake additional equity financing, which would be dilutive to shareholders. Debt financing, if available, may also involve restrictions on financing and operating activities. There is no assurance that additional financing will be available on terms acceptable to the Resulting Issuer or at all. If the Resulting Issuer is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or anticipated expansion, and pursue only those development plans that can be funded through cash flows generated from its existing operations.

Fluctuating Mineral Prices

The economics of mineral exploration is affected by many factors beyond the Resulting Issuer's control including, commodity prices, the cost of operations, variations in the grade of minerals explored and fluctuations in the market price of minerals. Depending on the price of minerals, it may be determined that it is impractical to continue the mineral exploration operation.

Mineral prices are prone to fluctuations and the marketability of minerals is affected by government regulation relating to price, royalties, allowable production and the importing and exporting of minerals, the effect of which cannot be accurately predicted. There is no assurance that a profitable market will exist for the sale of any minerals found on the Property.

Regulatory Requirements

The current or future operations of the Resulting Issuer require permits from various governmental authorities, and such operations are and will be governed by laws and regulations governing exploration, development, production, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, site safety and other matters. Companies engaged in the exploration and development of mineral properties generally experience increased costs and delays in development and other schedules as a result of the need to comply with the applicable laws, regulations and permits. There can be no assurance that all permits which the Resulting Issuer may require for the facilities and conduct of exploration and development operations will be obtainable on reasonable terms or that such laws and regulation would not have an adverse effect on any exploration and development project which the Resulting Issuer might undertake.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in exploration and development operations may be required to compensate those suffering loss or damage by reason of the exploration and development activities and may have civil or criminal fines or penalties imposed upon them for violation of applicable laws or regulations. Amendments to current laws, regulation and permits governing operations and activities of mineral companies, or more stringent implementation thereof, could have a material adverse impact on the Resulting Issuer and cause increases in capital expenditures or exploration and development costs or require abandonment or delays in the development of new properties.

Financing Risks and Dilution to Shareholders

The Resulting Issuer will have limited financial resources, no operations and no revenues. If the Resulting Issuer's exploration programs on the Property are successful, additional funds will be required for the purposes of further exploration and development. There can be no assurance that the Resulting Issuer will be able to obtain adequate financing in the future or that such financing will be available on favourable terms or at all. It is likely such additional capital will be raised through the issuance of additional equity which will result in dilution to the Resulting Issuer's shareholders.

Title to Mineral Properties

Acquisition of title to mineral properties is a very detailed and time-consuming process. Title to, and the area of, mineral properties may be disputed. Although the Issuer will obtain a title opinion in respect of the vendors interest in the Property, the Issuer cannot give an assurance that title to such property will not be challenged or impugned. Mineral properties sometimes contain claims or transfer histories that examiners cannot verify. A successful claim that the Vendors or the Resulting Issuer, as the case may be, does not have title to the Property could cause the Resulting Issuer to lose any rights to explore, develop and mine any minerals on that property, without compensation for its prior expenditures relating to such property.

Requirement for Permits and Licenses

While the Resulting Issuer believes that the Vendors currently have all permits and licences necessary to carry on their current exploration activities on the Property, a substantial number of additional permits and licenses may be required should the Resulting Issuer proceed beyond exploration; such licenses and permits may be difficult to obtain and may be subject to changes in regulations and in various operational circumstances. It is uncertain whether the Resulting Issuer will be able to obtain all such licenses and permits.

Competition

There is competition within the mining industry for the discovery and acquisition of properties considered to have commercial potential. The Resulting Issuer will compete with other mining companies, many of which have greater financial, technical and other resources than the Resulting Issuer, for, among other things, the acquisition of minerals claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees and other personnel.

Reliance on Management and Dependence on Key Personnel

The success of the Resulting Issuer is currently largely dependent upon on the performance of its directors and officers and the ability to attract and retain its key personnel. The loss of the services of these persons may have a material adverse effect on the Resulting Issuer's business and prospects. The Resulting Issuer will compete with numerous other companies for the recruitment and retention of qualified employees and contractors. There is no assurance that the Resulting Issuer can maintain the service of its directors and officers or other qualified personnel required to operate its business. Failure to do so could have a material adverse effect on the Resulting Issuer and its prospects.

No Mineral Reserves or Mineral Resources

The Property is considered to be in the early exploration stage only and does not contain a known body of commercial minerals. Mineral reserves are, in the large part, estimates and no assurance can be given that the anticipated tonnages and grades will be achieved or that the indicated level of recovery will be realized. Reserve estimates for properties that have not yet commenced production may require revision based on actual production experience. Market price fluctuations of metals, as well as increased production costs or reduced recovery rates may render mineral reserves containing relatively lower grades of mineralization uneconomic and may ultimately result in a restatement of reserves. Moreover, short-term operating factors relating to the mineral reserves, such as the need for orderly development of the ore bodies and the processing of new or different mineral grades may cause a mining operation to be unprofitable in any particular accounting period.

Environmental Risks

The Resulting Issuer's exploration and appraisal programs will, in general, be subject to approval by regulatory bodies. Additionally, all phases of the mining business present environmental risks and hazards and are subject to environmental regulation pursuant to a variety of international conventions and state and municipal laws and regulations. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances produced in association with mining operations. The legislation also requires that wells and facility sites be operated, maintained, abandoned and reclaimed to the satisfaction of applicable regulatory authorities. Compliance with such legislation can require significant expenditures and a breach may result in the imposition of fines and penalties, some of which may be material. Environmental legislation is evolving in a manner expected to

result in stricter standards and enforcement, larger fines and liability and potentially increased capital expenditures and operating costs.

Governmental Regulations and Licenses and Permits

The activities of the Resulting Issuer are subject to Canadian and Colombian approvals, various laws governing prospecting, development, land resumptions, production taxes, labour standards and occupational health, mine safety, toxic substances and other matters. Although the Resulting Issuer believes that its activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail production or development. Amendments to current laws and regulations governing operations and activities of exploration and mining, or more stringent implementation thereof, could have a material adverse impact on the business, operations and financial performance of the Resulting Issuer. Further, the licenses and permits issued in respect of its projects may be subject to conditions which, if not satisfied, may lead to the revocation of such licenses. In the event of revocation, the value of the Resulting Issuer's investments in such projects may decline.

Risks of Foreign Operations

The Property is located in Colombia. Colombia is home to South America's largest and longest running political insurgency, and over the past two decades has experienced significant social upheaval and criminal activity relating to drug trafficking. While the situation has improved dramatically in recent years, there can be no guarantee that the situation will not again deteriorate. As such, the Resulting Issuer will be subject to governmental, political, economic, and other uncertainties, including, but not limited to, expropriation of property without fair compensation, changes in policies or the personnel administering them, nationalization, currency fluctuations and devaluations, exchange controls and royalty increases, renegotiation or nullification of existing concessions and contracts, changes in taxation policies, economic sanctions and the imposition of specific obligations and the other risks arising out of foreign governmental sovereignty over the areas in which the Resulting Issuer's operations are conducted, as well as risks of loss due to civil strife, acts of war, guerrilla activities, insurrections, the actions of national labour unions, terrorism and abduction. Additionally, the continued perception that matters have not improved in Colombia may hinder the Resulting Issuer's ability to access capital in a timely or cost effective manner.

The Resulting Issuer's operations may also be adversely affected by laws and policies of Canada affecting foreign trade, taxation and investment. In the event of a dispute arising in connection with the Resulting Issuer's operations in Colombia, the Resulting Issuer may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdictions of the courts of Canada or enforcing Canadian judgments in such other jurisdictions. The Resulting Issuer may also be hindered or prevented from enforcing its rights with respect to a governmental instrumentality because of the doctrine of sovereign immunity. Accordingly, the Resulting Issuer's exploration, development and exploration activities in Colombia could be substantially affected by factors beyond the Resulting Issuer's control, any of which could have a material adverse effect on the Resulting Issuer.

The Resulting Issuer may in the future acquire resource properties and operations outside of Colombia and Canada, which expansion may present challenges and risks that the Resulting Issuer has not faced in the past, any of which could adversely affect the results of operations and/or financial condition of the Resulting Issuer.

Local Resident Concerns

Apart from ordinary environmental issues, work on, or the development and mining of the Property could be subject to resistance from local residents that could either prevent or delay exploration and development of the Property.

Management Inexperience in Developing Mines

The proposed management of the Resulting Issuer will have some experience in exploring for minerals, but may lack all or some of the necessary technical training and experience to successfully develop and operate a mine. Without adequate training or experience in these areas, management may not be fully aware of many of the specific requirements related to working within the mining industry and their decisions and choices may not take into account all available and necessary engineering or managerial approaches that experienced mine operating companies commonly use to successfully develop amine. Consequently, the Resulting Issuer's operations, earnings and ultimate financial success could be materially adversely effected.

Conflicts of Interest

Certain of the directors and officers of the Resulting Issuer will be engaged in, and will continue to engage in, other business activities on their own behalf and on behalf of other companies (including mineral resource companies) and, as a result of these and other activities, such directors and officers of the Resulting Issuer may become subject to conflicts of interest. The BCBCA provides that in the event that a director has a material interest in a contract or proposed contract or agreement that is material to the issuer, the director shall disclose his interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement, subject to and in accordance with the BCBCA. To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the BCBCA.

Uninsurable Risks

Exploration, development and production operations on mineral properties involve numerous risks, including unexpected or unusual geological operating conditions, rock bursts, cave-ins, fires, floods, earthquakes and other environmental occurrences. It is not always possible to obtain insurance against all such risks and the Resulting Issuer may decide not to insure against certain risks as a result of high premiums or other reasons. Should such liabilities arise, they could have an adverse impact on the Resulting Issuer's results of operations and financial condition and could cause a decline in the value of the Resulting Issuer Shares. The Resulting Issuer does not intend to maintain insurance against environmental risks.

Litigation

The Resulting Issuer and/or its directors may be subject to a variety of civil or other legal proceedings, with or without merit.

Dividends

To date, the Issuer has not paid any dividends on their outstanding shares. Any decision to pay dividends on the shares of the Resulting Issuer will be made by its board of directors on the basis of the Resulting Issuer's earnings, financial requirements and other conditions.

THE ACQUISITION

On December 22, 2010, the Issuer entered into a letter of intent (the “**Letter of Intent**”) and subsequently, on February 16, 2011 entered into a purchase and sale agreement, as amended (the “**Purchase Agreement**”) with Colombia Mines S.A.S. (the “**Vendors**”) to acquire the Property. The Acquisition is not a Non-Arm’s Length Qualifying Transaction (as such term is defined in the policy manual of the TSX Venture Exchange (the “**Policy Manual**”)), as the Vendors do not have a relationship to the Issuer or its Affiliates and Associates (as such terms are defined in the Policy Manual). The purchase price of the Property was established by negotiation between the Issuer and the Vendors.

At Closing, the Issuer will acquire all of the Vendors’ right, title and interest in the Property. The Vendors will retain a sliding-scale net smelter return royalty varying between 2.0% and 3.0% on the Property. Pursuant to the Purchase Agreement, as consideration for the Property, the Issuer has agreed to pay the Vendors in cash as follows:

- (a) US\$25,000 upon signing the Letter of Intent (which payment has been made);
- (b) an additional US\$250,000 on the Closing Date;
- (c) an additional US\$250,000 on or before three months from the Closing Date;
- (d) an additional US\$500,000 on or before 14 months from the Closing Date;
- (e) an additional US\$1,000,000 on or before 26 months from the Closing Date; and
- (f) an additional US\$1,000,000 on or before 38 months from the Closing Date.

In addition, the Issuer has also agreed to incur qualifying expenditures on the Property of \$3,000,000 and all other expenditures needed to keep the Property in good standing in accordance with Colombian mining law requirements, as follows and subject to acceleration in the Issuer’s discretion:

- (a) US\$500,000 on or before one year from the Closing Date;
- (b) an additional US\$1,000,000 on or before two years from the Closing Date (for cumulative expenditures of US\$1,500,000); and
- (c) an additional US\$1,500,000 on or before three years from the Closing Date (for cumulative expenditures of US\$3,000,000).

Subject to Exchange approval, the Issuer has agreed to pay an additional US\$1,000,000 to the Vendors if a NI 43-101 compliant report is prepared during the term of the Purchase Agreement that establishes the existence of at least 300,000 tonnes of copper categorized as ‘measured resources’ (as such term is defined in NI 43-101) on the Property.

The Purchase Agreement may be terminated at any time prior to the Completion of the Qualifying Transaction by: (a) mutual agreement; (b) the Issuer, if any of the conditions set forth in the Purchase Agreement have not been fulfilled or waived at or prior to the Closing Date or any obligation or covenant of the Vendors to be performed at or prior to the Closing Date has not been observed or performed by such time; (c) the Issuer upon providing no less than 30 days written notice to the Vendors; or (d) the Vendors, if any of the conditions set forth in the Purchase Agreement have not been fulfilled or waived at

or prior to the Closing Date or any obligation or covenant of the Issuer to be performed at or prior to the Closing Date has not been observed or performed by such time.

The Acquisition is made subject to certain conditions, including: (i) the Issuer obtaining all necessary regulatory approvals; and (ii) the absence of any injunctions, order or decree which would constitute a material adverse effect.

Upon completion of the Qualifying Transaction and pursuant to a Finder's Fee Agreement, the Issuer will issue up to 300,000 Common Shares to the Finder as payment of a finder's fee in connection with the Acquisition.

See "Information Concerning the Property" in the Filing Statement.

CORPORATE INFORMATION

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

As at the date of this Offering Document, 11,803,159 Common Shares were issued and outstanding, of which 63,835 are reserved for issuance pursuant to Warrant's issued under the Finder's Fee Agreement and 1,213,752 are reserved for issuance pursuant to stock options (the "Options") issued under the Issuer's stock option plan.

The holders of Common Shares are entitled to receive notice of and to attend and vote at all meetings of the shareholders of the Issuer and each common share shall confer the right to one vote in person or by proxy at all meetings of the shareholders of the Issuer. The holders of Common Shares are also entitled to dividends if, as and when declared by the directors, and, upon dissolution, to share equally in such assets of the Issuer as are distributable to the holders of the Common Shares.

There are no pre-emptive rights or conversion rights attached to the Common Shares. There are also no redemption or purchase for cancellation or surrender provisions, sinking or purchase fund provisions, or any provisions as to modification, amendment or variation of any such rights or provisions attached to the Common Shares.

DIRECTORS, OFFICERS, PROMOTERS AND PRINCIPAL HOLDERS OF VOTING SECURITIES

Directors, Officers and Promoters

The following are the names and municipalities of residence of all directors, officers and promoters of the Issuer, their positions and offices with the Issuer and their principal occupations during the last five years:

Name, Municipality of Residence and Proposed Position with the Resulting Issuer	Principal Occupation During Last Five Years	Period during which Proposed Director of Resulting Issuer has served as a Director of the Issuer	Anticipated Number and Percentage of Resulting Issuer Shares owned or controlled on completion of the Transaction and QT Financing ⁽¹⁾
Robert Sedgemore Santiago, Chile President, CEO & Director	Senior Industry Mining Specialist of World Bank – International Finance Corporation (July, 2009 to June, 2010), Director of Norcast Ltda. (February, 2008 to March, 2009), Project Manager for African Energy Resources and Exco Resources (July, 2007 to February, 2008), Senior Study Manager for Mirabela Nickel and GRD Minproc Limited (2006 - 2007).	From June 14, 2010 to present	600,000 ⁽²⁾ 2.7%
Nick DeMare Burnaby, B.C. CFO & Director	President, Chase Management Ltd. (May, 1991 to Present)	From June 14, 2010 to present	185,000 ⁽³⁾ 0.8%
John Seaman Thunder Bay, Ontario Director	President and CEO of Apex Investigations & Security Inc. (August, 1992 to present), CFO of Premier Gold Mines Limited (August, 2006 to present)	On Completion of the Qualifying Transaction	Nil ⁽⁴⁾ N/A
Dave Doherty Vancouver, B.C. Director	President of Inform Capital Corp. (October, 2007 to Present), Investment Advisor, Canaccord Capital (March 1997 to September, 2007).	From June 14, 2010 to present	250,000 ⁽⁵⁾ 1.8%
Marc Cernovitch Toronto, Ontario Corporate Secretary	Chairman of Halo Resources Ltd. (March, 2007 to Present), President and CEO of Halo Resources Ltd. (February, 2005 to February, 2007).	On Completion of the Qualifying Transaction	450,000 ⁽⁶⁾ 2.0%

- (1) Based on the total of 22,011,909 Resulting Issuer Shares expected to be outstanding following completion of the Acquisition and the QT Financing, on an undiluted basis.
- (2) Excludes 656,966 Options to be held by Mr. Sedgemore. See “Information Concerning the Resulting Issuer – Escrowed Securities” in the Filing Statement.
- (3) Excludes 200,000 Options to be held by Mr. DeMare. See “Information Concerning the Resulting Issuer – Escrowed Securities” in the Filing Statement.
- (4) Excludes 70,000 Options to be held by Mr. Seaman. See “Information Concerning the Resulting Issuer – Escrowed Securities” in the Filing Statement.
- (5) Excludes 270,000 Options to be held by Mr. Doherty. See “Information Concerning the Resulting Issuer – Escrowed Securities” in the Filing Statement.
- (6) Includes 50,000 Shares Mr. Cernovitch anticipates acquiring in the QT Financing; excludes 175,000 Options to be held by Mr. Cernovitch. See “Information Concerning the Resulting Issuer – Escrowed Securities” in the Filing Statement.

Corporate Cease Trade Orders and Bankruptcies

Except as disclosed below, as at the date of this Filing Statement and within the ten years before the date of this Filing Statement, no director, officer or promoter of the Resulting Issuer is or has been a director, officer or promoter of any person or company (including the Resulting Issuer), that while that person was acting in that capacity:

- (a) was the subject of a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or
- (b) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Nick DeMare, a director and officer of the Resulting Issuer, was an independent director of Andean American Resources Limited (“Andean American”) from August, 2002 until January, 2011. On August 2, 2007, Andean American was issued a cease trade order by the British Columbia Securities Commission for deficiencies in Andean American’s continuous disclosure material related to its resource properties for deficiencies in a previously filed National Instrument 43-101 technical report. On October 22, 2007, Andean American filed an amended technical report and issued a clarifying release. The cease trade order was lifted and the shares resumed trading on October 24, 2007.

Mr. DeMare, is also a director of Salazar Resources Limited (“Salazar”). On September 10, 2010, Salazar was issued a cease trade order by the British Columbia Securities Commission for deficiencies in Salazar’s continuous disclosure material related to its resource properties for deficiencies in a previously filed National Instrument 43-101 technical report. On October 14, 2010, Salazar filed an amended technical report and issued a clarifying release. The cease trade order was lifted and the shares resumed trading on October 18, 2010.

John Seaman, a director of the Resulting Issuer, has been a director of MBMI Resources Inc. (“MBMI”) since June 12, 2007. On September 21, 2007, MBMI was issued a cease trade order by the British Columbia Securities Commission for deficiencies in MBMI’s previously filed National Instrument 43-101 technical report. On October 5, 2007, MBMI filed an amended technical report and issued a clarifying news release. The cease trade order was lifted and the shares resumed trading on November 8, 2007.

Marc Cernovitch, the Corporate Secretary of the Resulting Issuer, was an officer of Synergy Technologies Corporation (“Synergy”) from March, 2000 until August, 2002. On November 13, 2002, Synergy and its

wholly-owned subsidiary Carbon Resources Limited each filed a voluntary petition for relief under Chapter 11 of Title 11 of the United States Bankruptcy Code. During March, 2003, Synergy sold substantially all of its assets. On July 30, 2003 the Bankruptcy Court confirmed Synergy's Plan of Reorganization, as accepted by Synergy's creditors and equity interest holders in accordance with the United States Bankruptcy Code. The Plan of Reorganization became effective on August 11, 2003.

Penalties and Sanctions

No proposed director, officer or promoter of the Resulting Issuer, or a securityholder anticipated to hold sufficient securities of the Resulting Issuer to affect materially the control of the Resulting Issuer, has:

- (a) been the subject of 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
- (b) been subject to any other penalties or sanctions imposed by a court or regulatory body, including a self-regulatory body that would be likely to be considered important to a reasonable securityholder making a decision about the Transaction.

Principal Holders of Voting Shares

To the knowledge of the signatories hereto, as of the date hereof, no shareholder (other than securities depositories) will beneficially own, directly or indirectly, or exercise control or direction over voting securities carrying more than 10% of the voting rights attached to any class of voting securities of the Issuer following the Acquisition and the QT Financing.

OPTIONS TO PURCHASE SECURITIES OF THE ISSUER

Stock Options

The Issuer has granted incentive stock options to insiders or promoters of the Issuer to acquire an aggregate of 1,213,752 common shares of the Issuer as follows:

<u>Name</u>	<u>Securities Under Options Granted (#)⁽¹⁾</u>	<u>Exercise Price (\$/Resulting Issuer Share)</u>	<u>Expiry Date</u>
Robert Sedgemore	586,966	0.52	November 16, 2013
Nick DeMare	100,000	0.52	November 16, 2013
Dave Doherty	200,000	0.52	November 16, 2013
Craig Taylor ⁽²⁾	50,000	0.52	November 16, 2013
Frank Taggart	234,786	0.52	November 16, 2013
Christian Outreach of Canada ⁽³⁾	42,000	\$0.10	March 28, 2018
Total	1,213,752		

Notes:

- (1) If any holder exercises his Options prior to the Closing Date, the Blue Cove Shares issuable upon such exercise will be deposited into escrow in accordance with the terms of the IPO Escrow Agreement. See "Information Concerning the Resulting Issuer – Escrowed Securities" in the Filing Statement.

- (2) Upon completion of the Qualifying Transaction, Craig Taylor will resign as a director. Mr. Taylor's 50,000 Options will expire 90 days thereafter.
- (3) Such options issued to Christian Outreach of Canada, an eligible charitable organization, are charitable options to purchase 42,000 Common Shares exercisable at \$0.10 per Common Share until March 28, 2018 (the "**Blue Cove Charitable Options**").

Concurrently with the completion of the Qualifying Transaction, the Issuer will issue 1,030,000 Options. The following table sets forth all stock options to purchase securities of the Resulting Issuer that will be held upon completion of the Acquisition:

Persons who will Receive Options (as a group)	Number of Resulting Issuer Shares Under Option	Purchase Price of Resulting Issuer Shares Under Option	Expiration Date
Executive officers ⁽¹⁾	686,966	\$0.52	November 16, 2013
	345,000 ⁽²⁾	\$1.00	5 years from Closing
Directors (who are not also executive officers) ⁽³⁾	250,000 ⁽⁴⁾	\$0.52	November 16, 2013
	140,000 ⁽²⁾	\$1.00	5 years from Closing
Consultants and Employees	234,786	\$0.52	November 16, 2013
	545,000 ⁽²⁾	\$1.00	5 years from Closing
Other ⁽⁵⁾	42,000	\$0.10	March 28, 2018
Total	2,243,752		

Notes:

- (1) Consists of Robert Sedgemore (President, CEO and a director), Nick DeMare (CFO and a director) and Marc Cernovitch (Corporate Secretary).
- (2) These options will be granted on Completion of the Qualifying Transaction.
- (3) Consists of Dave Doherty, John Seaman and Craig Taylor (Mr. Taylor will be resigning on the Closing Date).
- (4) Consists in part of 50,000 Options held by Craig Taylor which expire 90 days from the Closing Date.
- (5) Consists of the Blue Cove Charitable Options.

Warrants

Upon closing of the QT Financing, the Issuer will issue 4,000,000 Warrants to purchase 4,000,000 Common Shares at a price of \$1.30 per Common Share. The Warrants expire two years from Closing.

In consideration of the services provided by the Agent in connection with the Brokered Financings, which are expected to be completed concurrently with closing of the Acquisition, the Issuer will grant the Agent 385,000 Agent's Warrants exercisable to purchase an aggregate of 385,000 Common Shares at an exercise price of \$1.00 per Common Share for a period of two years from Closing. The Issuer will also grant to the Agent 62,500 Agent's Corporate Finance Warrants.

In consideration of the services provided by the Agent in connection with the initial public offering of the Issuer, which was completed on March 28, 2008, the Issuer granted the Agent 200,000 share purchase warrants exercisable to purchase an aggregate of 200,000 Common Shares at an exercise price of \$0.10 per Common Share for a period of 24 months from April 1, 2008, the day on which the Common Shares were listed on the Exchange (the "**Agent's IPO Warrants**"). The Agent's IPO Warrants expired on April 1, 2010. None of the Agent's IPO Warrants were exercised prior to expiration.

As partial consideration for the services provided by the Finder (as hereinafter defined) pursuant to the Finder's Fee Agreement between the Issuer and Access Capital Corp. (the "**Finder**") dated February 26, 2011, the Issuer granted to the Finder, 63,835 share purchase warrants (the "**Finder's Warrants**") exercisable to purchase an aggregate of 63,835 Common Shares at an exercise price of \$0.25 per Common Share until November 17, 2012.

QT Units and Corporate Finance Units

Upon closing of the QT Financing, the Issuer will issue 8,000,000 QT Units consisting of 8,000,000 Common Shares and the 4,000,000 Warrants.

In consideration for the services provided by the Agent in connection with the Brokered Financings, the Issuer will grant the Agent 125,000 Agent's Corporate Finance Units. Each Agent's Corporate Finance Unit will consist of the Agent's Corporate Finance Shares and the Agent's Corporate Finance Warrants.

Except for the stock options, warrants, QT Units and Corporate Finance Units described above, there are no other outstanding options, warrants or other rights to purchase securities of the Issuer to which the Issuer is party.

SECURITIES OF THE ISSUER HELD IN ESCROW

The Issuer currently has 1,100,000 Common Shares held in escrow (the "**IPO Escrow Securities**"). In connection with the Qualifying Transaction, an additional 460,000 Common Shares will be placed in escrow (the "**QT Escrow Securities**"), of which 156,000 will be released upon closing of the Qualifying Transaction.

For further information with respect to the percentage of securities held in escrow by each person who will be a holder of the IPO Escrow Securities and the QT Escrow Securities before and after the completion of the Offering, and the terms and conditions governing the release and cancellation of the IPO Escrow Securities and the QT Escrow Securities, see "Information Concerning the Resulting Issuer – Escrowed Securities" in the Filing Statement.

PARTICULARS OF ANY OTHER MATERIAL FACT

There are no other material facts concerning the affairs of the Issuer not disclosed above.

CONTRACTUAL RIGHTS OF ACTION

If this Offering Document, together with any Subsequently Triggered Report contains a "misrepresentation" as that term is defined in the Securities Laws of the applicable Participating Jurisdiction(s), and it was a misrepresentation on the date of investment, the purchaser will be deemed to have relied on the misrepresentation and will have a right of action, either for damages against the Issuer and its directors, and every person, except the Agent, who signed the Offering Document, (the "**Issuer's Representatives**") or alternatively for rescission of the agreement of purchase and sale for the securities. In any such action, parties against whom remedies are sought shall have the same defences as are available in the Securities Laws of the applicable Participating Jurisdiction(s), as if the Offering Document was a prospectus.

A purchaser is not entitled to commence an action to enforce this right after the limitation periods as set out in the Securities Laws of the applicable Participating Jurisdiction(s) have expired.

The contractual rights provided herein are in addition to and without derogation from any other right the purchaser may have at law.

CONTRACTUAL RIGHTS OF WITHDRAWAL

An order or subscription for the securities offered under this Offering Document is not binding on a purchaser if the dealer from whom the purchaser purchased the security (or the Issuer if the purchaser did not purchase the security from a dealer), receives, not later than two business days after the receipt by the purchaser of the Offering Document and any Subsequently Triggered Report, written notice sent by the purchaser evidencing the intention of the purchaser not to be bound by the agreement.

The foregoing right of withdrawal does not apply if the purchaser is a member of a “professional group” as defined under National Instrument 33-105 *Underwriting Conflicts* or any successor policy or instrument, or if the purchaser disposes of the beneficial ownership of the security (otherwise than to secure indebtedness) before the end of the withdrawal period.

The onus of proving that the time for giving notice of withdrawal has ended is on the dealer from whom the purchaser has agreed to purchase the security, or if the purchaser did not purchase from a dealer, such onus is on the Issuer.

CERTIFICATE OF THE ISSUER

The foregoing, including the documents incorporated by reference, constitute full, true and plain disclosure of all material facts relating to the securities offered by this Offering Document. The standard for full, true and plain disclosure is the same as that required for prospectuses by the Securities Laws of the applicable Participating Jurisdiction(s) as applicable, and the regulations thereunder.

Dated: April 8, 2011

/s/ "Robert Sedgemore"
ROBERT SEDGEMORE
President and Chief Executive Officer

/s/ "Nick DeMare"
NICK DEMARE
Chief Financial Officer and Corporate Secretary

ON BEHALF OF THE BOARD OF DIRECTORS

/s/ "Dave Doherty"
DAVE DOHERTY
Director

/s/ "Craig Taylor"
CRAIG TAYLOR
Director

CERTIFICATE OF THE AGENT

We have reviewed this Offering Document and the information it incorporates by reference. Our review consisted primarily of enquiry, analysis and discussion related to the information supplied to us by the Issuer and information about the Issuer in the public domain.

We have not carried out a review of the type that would be carried out for a prospectus filed under the Securities Laws of the applicable Participating Jurisdiction(s) as applicable. Therefore, we cannot certify that this document and the information it incorporates by reference constitutes full, true and plain disclosure of all material facts relating to the Issuer and the securities offered by it.

Based on our review, nothing has come to our attention that causes us to believe that this Offering Document and the information that it incorporates by reference: (1) contains an untrue statement of a material fact; or (2) omits to state a material fact necessary to prevent a false statement or misleading interpretation of any other statement.

Dated: April 8, 2011

CANACCORD GENUITY CORP.

Per: “Ali Pejman”
Ali Pejman
Managing Director, Investment Banking

AUDITORS' CONSENT

We have read the Short Form Offering Document of Blue Cove Capital Corp. (the "Company") dated April 8, 2011 relating to the sale and issue of 2,000,000 common shares of the Company. We have complied with Canadian generally accepted standards for an auditor's involvement with offering documents.

We consent to the incorporation by reference in the above mentioned Short Form Offering Document of our report to the shareholders of the Company on the balance sheet of the Company as at November 30, 2010 and the statements of loss, comprehensive loss and deficit and cash flows for the year then ended. Our report is dated February 28, 2011.

“DAVIDSON & COMPANY LLP”

Vancouver, Canada

Chartered Accountants

April 8, 2011



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Fax: 604-534-4220
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AUDITORS' CONSENT

We have read the short form offering document of Blue Cove Capital Corp. (the "Company") dated April 8, 2011 qualifying the distribution of up to \$2,000,000 of common shares of the Company. We have complied with Canadian generally accepted standards for an auditor's involvement with offering documents.

We consent to the incorporation by reference in the above-mentioned offering document of our report to the shareholders of the Company on the consolidated balance sheets of the Company as at November 30, 2009 and 2008; and the consolidated statements of loss and comprehensive loss, deficit and cash flows for each of the years in the two-year period ended November 30, 2009. Our report is dated February 19, 2010.

A handwritten signature in black ink that reads "Deloitte & Touche LLP". The signature is written in a cursive, flowing style.

Chartered Accountants
Langley, British Columbia
April 8, 2011