A copy of this preliminary prospectus has been filed with the securities regulatory authorities in the Province of British Columbia, but has not yet become final. Information contained in this preliminary prospectus may not be complete and may have to be amended.

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

NON-OFFERING PROSPECTUS **July 3, 2014**

PRELIMINARY PROSPECTUS

INEXCO MINING CORP.

(the "Corporation")
SUITE 1330, 1075 WEST GEORGIA STREET
VANCOUVER, BRITISH COLUMBIA
V6E 3C9

No securities are being offered pursuant to this prospectus (the "Prospectus"). This Prospectus is being filed with the British Columbia Securities Commission, to enable the Corporation to become a reporting issuer in British Columbia.

As no securities are being offered pursuant to this Prospectus, no proceeds will be raised and all expenses incurred in connection with the preparation and filing of this Prospectus will be paid by the Corporation from general working capital.

There is currently no market through which holders of Common Shares may be sold and holders of Common Shares may not be able to resell the Common Shares of the Corporation. See "Risk Factors".

No underwriter has been involved in the preparation of the Prospectus or performed any review or independent due diligence of the contents of the Prospectus.

The Corporation is a natural resource issuer. An investment in a natural resource issuer involves significant risk. The risk is greater for an investment in a Corporation with exploration-stage properties as compared with development-stage properties. The Corporation's Property is in the exploration stage or pre-exploration stage and is without a known body of commercial ore. See "Risk Factors" for further details.

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Except for statements of historical fact relating to the Corporation, certain statements in this Prospectus may constitute forward-looking information, future oriented financial information, or financial outlooks (collectively, "forward-looking information") within the meaning of Canadian securities laws. Forward-looking information may relate to this Prospectus, the Corporation's future outlook and anticipated events or results and, in some cases, can be identified by terminology such as "may", "will", "could", "should", "expect", "plan", "anticipate", "believe", "intend", "estimate", "projects", "predict", "potential", "targeted", "possible", "continue" or other similar expressions concerning matters that are not historical facts and include, but are not limited in any manner to, those with respect to commodity prices, mineral resources, mineral reserves, realization of mineral reserves, existence or realization of mineral resource estimates, the timing and amount of future production, the timing of construction of any proposed mine and process facilities, capital and operating expenditures, the timing of receipt of permits, rights and authorizations, and any and all other timing, development, operational, financial, economic, legal, regulatory and political factors that may influence future events or conditions, as such matters may be applicable. In particular, this Prospectus contains forward-looking statements pertaining to the following:

- Proposed expenditures for exploration work, and general and administrative expenses (see: "Narrative Description of the Business – Recommendations" and "Use of Available Funds" for further details);

- Expectations generally regarding the ability to raise further capital for corporate purposes and the utilization of the net proceeds of the private placement financings previously completed by the Corporation; and

- Treatment under applicable governmental regimes for permitting and approvals (see: "Risk Factors").

Such forward-looking statements are based on a number of material factors and assumptions, including, but not limited in any manner, those disclosed in any other of the Corporation's public filings, and include the ultimate determination of mineral reserves, if any, the availability and final receipt of required approvals, licenses and permits, sufficient working capital to develop and operate any proposed mine, access to adequate services and supplies, economic conditions, commodity prices, foreign currency exchange rates, interest rates, access to capital and debt markets and associated costs of funds, availability of a qualified work force, and the ultimate ability to mine, process and sell mineral products on economically favourable terms. While the Corporation considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect. Actual results may vary from such forward-looking information for a variety of reasons, including but not limited to risks and uncertainties disclosed in this Prospectus. See "Risk Factors". The Corporation has no specific policies or procedures for updating forward-looking information. Forward-looking statements are based upon management's beliefs, estimates and opinions on the date the statements are made and, other than as required by law, the Corporation does not intend, and undertakes no obligation to update any forward looking information to reflect, among other things, new information or future events.

Investors are cautioned against placing undue reliance on forward-looking statements.

GLOSSARY

"**Board**" means the Corporation's board of directors.

"**Colby Mines Property**" or the "**Property**" means the 18 map-staked claims covering 2,617.91 ha located in the Vernon Mining Division and in the Kamloops Division of the Yale Land District, Province of British Columbia, Canada.

"**Common Shares**" means the common shares without par value in the capital of the Corporation.

"**Corporation**" means Inexco Mining Corp.

"**Escrow Agent**" means Computershare Investor Services Inc.

"**Listing Date**" means the date the Common Shares commence trading on a Canadian stock exchange.

"**Optionor**" means Rich River Exploration Ltd.

"**Property Option Agreement**" means the amended and restated option agreement dated June 16, 2014 made among the Corporation, the Optionor and Craig Alvin Lynes with respect to the Colby Mines Property.

"**Stock Option Agreements**" mean the stock option agreements dated for reference June 10, 2014 between the Corporation and certain directors and officers of the Corporation.

"**Stock Option Plan**" means a stock option plan dated June 9, 2014 providing for the granting of incentive stock options to the Corporation's directors, officers, employees and consultants.

"**Technical Report**" means the amended technical report dated June 27, 2014, entitled *"Broken Hill-Type Sulphide Mineralization on the Colby Mines Property"* authored by John Ostler, M.Sc., P.Geo.

PROSPECTUS SUMMARY

The following is a summary of the principal business of the Corporation and should be read together with the more detailed information and financial data and statements contained elsewhere in this Prospectus.

The Corporation

The Corporation is engaged in the business of mineral exploration in British Columbia. Its objective is to locate and develop economic precious and base metals properties of merit and to conduct its exploration program on the Colby Mines Property. See "Narrative Description of the Business".

Management, Directors & Officers

Craig Engelsman	*President, Chief Executive Officer and Director*
Quinn Field-Dyte	*Chief Financial Officer, Corporate Secretary and Director*
Robert Birmingham	*Director*
Stephen B. Butrenchuk	*Director*

See "Directors and Officers".

Risk Factors

The Corporation has no history of earnings and there are no known commercial quantities of mineral reserves on the Corporation's properties. There is also no guarantee of the Corporation's title to its properties. The Corporation has an option only to acquire an interest in the Colby Mines Property. The Corporation and its assets may become subject to uninsurable risks. The Corporation's activities may require permits or licenses which may not be granted to the Corporation. The Corporation competes with other companies with greater financial resources and technical facilities. The Corporation is currently largely dependent on the performance of its directors and there is no assurance the Corporation can maintain their services. In recent years both metal prices and publicly traded securities prices have fluctuated widely. The Corporation's business is subject to risks associated with operating in a developing country. Exploration of the Colby Mines Property may be subject to risks stemming from relations with and claims by local community groups. See "Risk Factors".

Summary of Financial Information

The following selected financial information is subject to the detailed information contained in the financial statements of the Corporation and notes thereto appearing elsewhere in the Prospectus. The selected financial information is derived from the audited financial statements for the period from incorporation on May 11, 2011 to October 31, 2011, for the financial years ended October 31, 2012 and October 31, 2013 and for the financial period ended May 31, 2014. The Corporation has established October 31 as its financial year end. See "Selected Financial Information and Management Discussion and Analysis".

	Period Ended May 31, 2014 (audited)	Year Ended October 31, 2013 (audited)	Year Ended October 31, 2012 (audited)	Period from incorporation (May 11, 2011) to October 31, 2011 (audited)
Total revenues	Nil	Nil	Nil	Nil
Exploration expenditures	$756	$915	$122,197	$10,000
General and administrative expenses	$60,477	$53,690	$72,136	$28,003
Share-based compensation expense	$190,000	Nil	Nil	$174,400
Net Loss	$250,477	$53,690	$72,136	$202,403
Basic and diluted loss per common share	($0.03)	($0.01)	($0.02)	($0.08)
Total assets	$464,205	$149,414	$154,111	n/a
Long-term financial liabilities	Nil	Nil	Nil	Nil

Currency

Unless otherwise indicated, all currency amounts herein are stated in Canadian Dollars.

CORPORATE STRUCTURE

Inexco Mining Corp. was incorporated pursuant to the *Business Corporations Act* (British Columbia) on May 11, 2011.

The Corporation's head office is located at Suite 1330, 1075 West Georgia Street, Vancouver, British Columbia, Canada, V6E 3C9 and the registered and records office is located at Suite 1750, 1185 West Georgia Street, Vancouver, British Columbia, V6E 4E6.

The Corporation has no subsidiaries.

GENERAL DEVELOPMENT OF THE BUSINESS

Business of the Corporation

The Corporation is engaged in the business of mineral exploration in British Columbia. Its objective is to locate and develop economic precious and base metals properties of merit. See "Narrative Description of the Business".

To this end, the Corporation entered into the Property Option Agreement dated June 16, 2014 with the Optionor and Craig Alvin Lynes, whereunder the Corporation was granted an irrevocable and exclusive option to acquire a 100% interest in the Colby Mines Property, consisting of eighteen (18) contiguous mineral claims comprising an aggregate 2,617.91 hectares, located in the Vernon Mining Division and in the Kamloops Division of the Yale Land District, British Columbia, Canada, the particulars of which are described in greater detail below.

Craig Alvin Lynes, the recorded holder of a 100% interest in the mineral claims comprising the Colby Mines Property, holds such interest for the sole use and benefit of Rich River Exploration Ltd., a private company owned and controlled by Craig Alvin Lynes, pursuant to the terms of a Declaration of Trust dated June 16, 2014. The Corporation, Craig Alvin Lynes and Rich River Exploration Ltd. are not related parties and the Property Option Agreement was negotiated between arm's length parties.

To exercise its option to acquire a 100% interest in the Property, pursuant to the terms of the Property Option Agreement, the Corporation agreed to pay an aggregate $75,000 and issue an aggregate 100,000 of its Common Shares to the Optionor and to incur an aggregate minimum $850,000 in exploration expenditures on the Property, in accordance with the following schedule:

Date for Completion	Cash Payment	Number of Common Shares to be Issued	Minimum Exploration Expenditures to be Incurred
Upon execution of the Property Option Agreement	$10,000 (paid)	Nil	Nil
On or before 12 months after the date of execution of the Property Option Agreement	Nil	Nil	$100,000 (completed)
Upon the Listing Date	$25,000	100,000[(1)]	Nil
On or before 6 months after the Listing Date	Nil	Nil	$50,000
On or before 36 months after the Listing Date	$15,000	Nil	$300,000

Date for Completion	Cash Payment	Number of Common Shares to be Issued	Minimum Exploration Expenditures to be Incurred
On or before 48 months after the Listing Date	$25,000	Nil	$400,000
TOTAL	**$75,000**	100,000	$850,000

(1) These 100,000 Common Shares are qualified under this Prospectus.

In accordance with the terms of the Property Option Agreement, the Optionor will retain a three percent (3%) net smelter returns royalty (the "NSR") in respect of all base metals, precious metals, rare earth elements and gems mined from the Property. The Corporation has the option to purchase up to 2% of such NSR at any time prior to the commencement of commercial production from the Property, in consideration of the payment of the sum of $500,000 to the Optionor for each 1% NSR purchased; and the Corporation may also elect to purchase the remaining one percent (1%) NSR at any time after the date of commencement of commercial production from the Property, at a purchase price to be negotiated.

In the event that during the term of the Property Option Agreement, either the Optionor or the Corporation acquires any right, title or interest in a mineral claim or other mineral property interest located within three kilometres of the boundaries of the Property, such mineral claim or mineral property interest shall be deemed to form part of the Property and shall be governed by the terms of the Property Option Agreement.

To date, the Corporation has raised $652,750 through the sale of securities.

Trends

There are no current trends in the Corporation's business that are likely to impact on the Corporation's performance.

NARRATIVE DESCRIPTION OF THE BUSINESS

Stated Business Objectives

The principal business carried on and intended to be carried on by the Corporation is the acquisition, exploration and development of natural resource properties. The Corporation intends on expending existing working capital to pay the balance of the estimated costs of this Prospectus, to carry out exploration on the Colby Mines Property, to pay for administrative costs for the next twelve months and for working capital. The Corporation may decide to acquire other properties in addition to the mineral property described below.

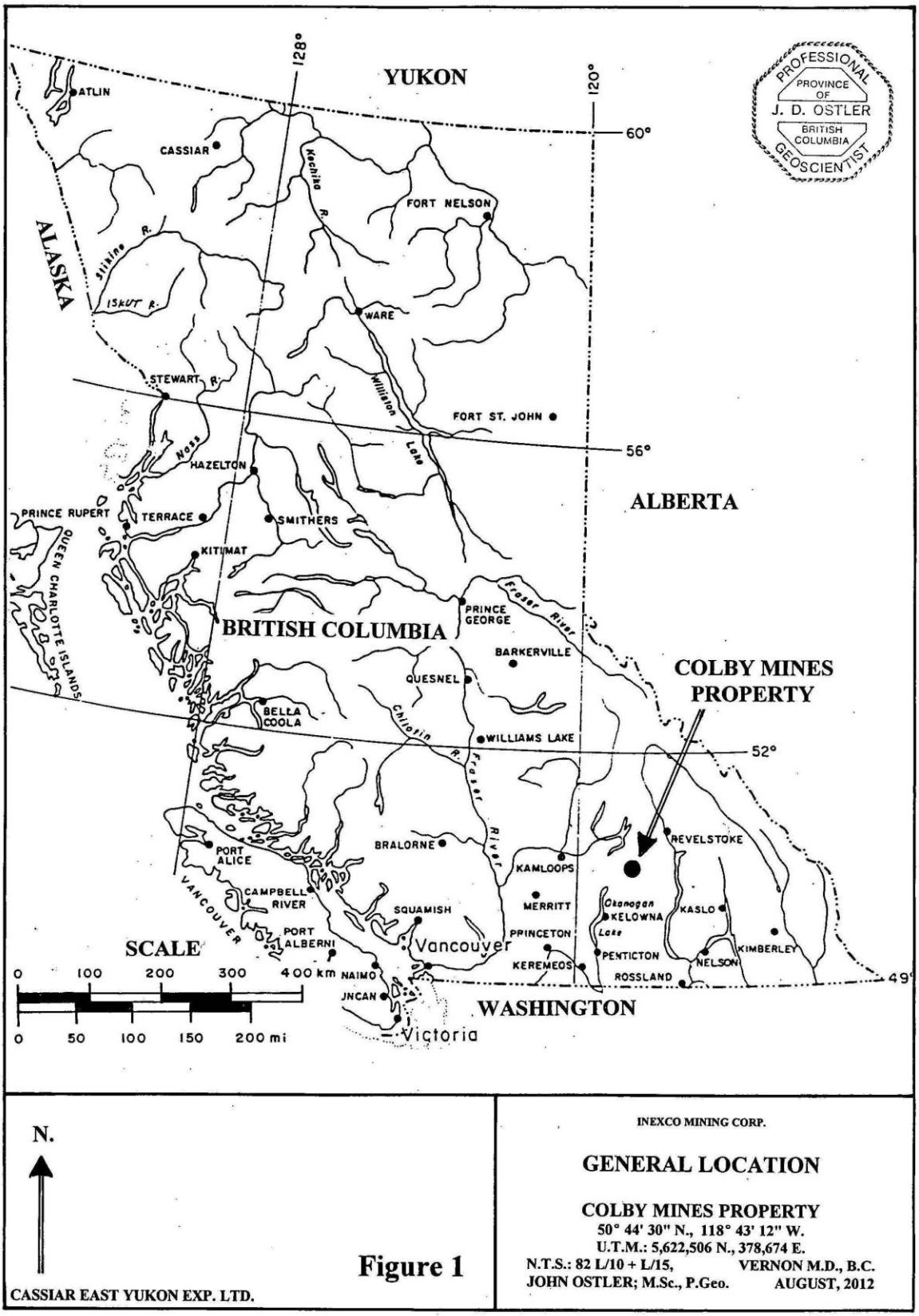
Colby Mines Property, Vernon Mining Division and in the Kamloops Division of the Yale Land District, British Columbia, Canada

The following represents information summarized from the Technical Report on the Colby Mines Property authored by John Ostler, M.Sc., P.Geo. (the "Author"), a Qualified Person (as defined in National Instrument 43-101), prepared in accordance with the requirements of NI 43-101. **Figures 1, 2, 10S, 22 and 23, and tables 1, 5, 7, 8, 10 and 11, from the Technical Report are reproduced in and form part of this Prospectus; a complete copy of the Technical Report is available for review on the System for Electronic Document Analysis and Retrieval (SEDAR) located at the following website: www.sedar.com. Alternatively, the Technical Report may be inspected during normal business hours at the Corporation's business offices at Suite 1330, 1075 West Georgia Street, Vancouver, British Columbia, Canada, V6E 3C9.**

Description and Location of the Colby Mines Property

The Colby Mines Property occupies mostly southeasterly facing slopes flanking Kingfisher and Danforth creeks near Mabel Lake in the southern part of Shuswap Highland in southern British Columbia. The Property is located on N.T.S. map sheets 82 L/10 and L/15, and on B.C. map sheet 082L 077 and is situated in the Vernon Mining Division and in the Kamloops Division of the Yale Land District (see Figures 1 and 2).

The Colby Mines Property consists of eighteen (18) contiguous map-staked mineral claims comprising an aggregate 2,617.91 ha (see Table 1). Map-staked mineral claims are not endowed with surface rights, which may be secured during development permitting.



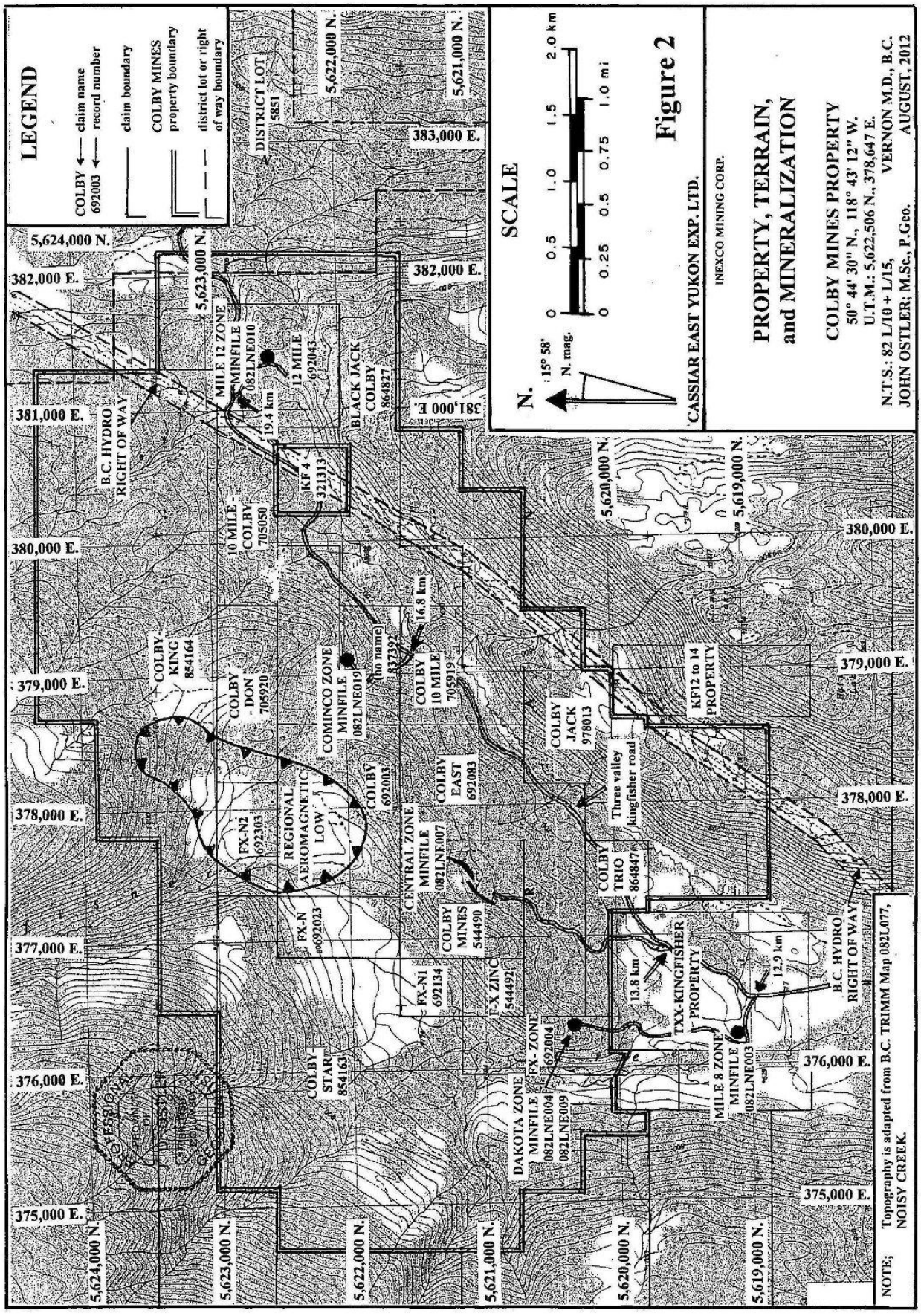

LEGEND
COLBY ← claim name
692003 ← record number
claim boundary
COLBY MINES property boundary
district lot or right of way boundary
DISTRICT LOT 5851
SCALE
0 0.5 1.0 1.5 2.0 km
0 0.25 0.5 0.75 1.0 mi
N.
15° 58' N. mag.
CASSIAR EAST YUKON EXP. LTD.
INEXCO MINING CORP.
Figure 2
PROPERTY, TERRAIN, and MINERALIZATION
COLBY MINES PROPERTY
50° 44' 30" N., 118° 43' 12" W.
U.T.M.: 5,622,506 N., 378,647 E.
N.T.S.: 82 L/10 + L/15, VERNON M.D., B.C.
JOHN OSTLER; M.Sc., P.Geo. AUGUST, 2012
NOTE; Topography is adapted from B.C. TRIMM Map 082L077, NOISY CREEK.
5,624,000 N.
5,623,000 N.
5,622,000 N.
5,621,000 N.
5,620,000 N.
5,619,000 N.
382,000 E.
381,000 E.
380,000 E.
379,000 E.
378,000 E.
377,000 E.
376,000 E.
375,000 E.
383,000 E.
381,000 E.
COLBY KING 854164
COLBY - DON 705920
FX-N2 692303
FX-N 692023
FX-N1 692134
COLBY STAR 854163
COLBY 692003
COMINCO ZONE MINFILE 082LNE019
(no name) 837392
16.8 km
COLBY 10 MILE 705919
COLBY EAST 692083
CENTRAL ZONE MINFILE 082LNE007
COLBY MINES 544490
F-X ZINC 544492
DAKOTA ZONE MINFILE 082LNE004 082LNE009
FX- ZONE 692004
10 MILE - COLBY 705050
KF 4 321313
19.4 km
MILE 12 ZONE MINFILE 082LNE010
12 MILE 692043
BLACK JACK COLBY 864827
B.C. HYDRO RIGHT OF WAY
COLBY JACK 978013
Three valley kingfisher road
KF12 to 14 PROPERTY
COLBY TRIO 864847
13.8 km
TXX-KINGFISHER PROPERTY
MILE 8 ZONE MINFILE 082LNE003
12.9 km
B.C. HYDRO RIGHT OF WAY

Table 1
Map-staked Claims

Claim Name	Record No.	Area: hectares (Acres)	Record Date	Expiry Date	Owner
COLBY MINES	544490	81.82 (202.10)	Oct. 27, 2006	May 31, 2018	Craig A. Lynes
F-X ZINC	544492	20.46 (50.54)	Oct. 27, 2006	May 31, 2018	Craig A. Lynes
COLBY	692003	122.71 (303.09)	Dec. 31, 2009	May 31, 2018	Craig A. Lynes
FX- ZONE	692004	61.37 (151.18)	Dec. 31, 2009	May 31, 2018	Craig A. Lynes
FX-N	692023	40.90 (101.02)	Jan. 1, 2010	May 31, 2018	Craig A. Lynes
12 MILE	692043	81.80 (202.05)	Jan. 1, 2010	May 31, 2018	Craig A. Lynes
COLBY EAST	692083	163.65 (404.22)	Jan. 1, 2010	May 31, 2018	Craig A. Lynes
FX-N1	692134	20.45 (50.51)	Jan. 1, 2010	May 31, 2018	Craig A. Lynes
FX-N2	692303	40.90 (101.02)	Jan. 1, 2010	May 31, 2018	Craig A. Lynes
10 MILE - COLBY	705050	122.70 (303.07)	Jan. 30, 2010	May 31, 2018	Craig A. Lynes
COLBY 10 MILE	705919	61.37 (151.18)	Feb. 10, 2010	May 31, 2018	Craig A. Lynes
COLBY - DON	705920	61.35 (151.53)	Feb. 10, 2010	May 31, 2018	Craig A. Lynes
(no name)	837392	40.91 (101.05)	Nov. 3, 2010	May 31, 2018	Craig A. Lynes
COLBY-STAR	854163	511.31 (1,262.54)	May 9, 2011	May 31, 2018	Craig A. Lynes
COLBY-KING	854164	511.15 (1,262.54)	May 9, 2011	May 31, 2018	Craig A. Lynes
BLACK JACK COLBY	864827	265.87 (656.70)	July 5, 2011	May 31, 2018	Craig A. Lynes
COLBY TRIO	864847	61.38 (151.61)	July 6, 2011	May 31, 2018	Craig A. Lynes
COLBY JACK	978013	347.81 (859.09)	April 4, 2012	May 31, 2018	Crag A. Lynes
Total Property area		**2,617.91 (6,466.24)**			

These map-staked claims are located on the provincial virtual mineral tenure grid. No posts or lines exist on the ground; thus, there is no uncertainty regarding the area covered by the claims. Nor are there conditions on or adjacent to the claims that may affect the design of future exploration and development programs on the Property. B.C. Hydro has a right of way over a corridor passing through the eastern and southern parts of the claim-area. The province of British Columbia has title to District Lot 5851 which overlaps the eastern boundary areas of the COLBY- KING (854164) and BLACK JACK COLBY (864827) claims. No restrictions to exploration are attached to Lot 5851 and, no part of the Property covers private land. There is no plant or equipment, inventory, mine or mill structure on these claims.

Accessibility, Climate, Local Resources, Infrastructure and Physiography

Elevations of the Colby Mines Property range from 630 m (2,067 ft) at Danforth Creek near the southeastern corner of the COLBY JACK (978013) claim at the southern boundary of the Property-area,

to 1,240 m (4,068 ft) at the northern boundary of the COLBY-STAR (854163) claim at the northern boundary of the Property. The Property hosts a second-growth forest comprised mostly of cedar, spruce, fir, and cottonwood trees which is in various states of growth. There is insufficient timber suitable for mining on the claims.

Although the till cover generally seems to be thin, most of the rock outcrops are in road cuts and along ridge crests like the one north of the Central zone. Soil profiles observed in road cuts were deemed to be sufficiently mature for soil-survey results to be meaningful. Soil geochemical surveys have been used successfully during previous exploration programs.

Road access to the Property commences at Enderby, crossed the Shuswap River to Ashton Creek which is 9.2 km (5.6 mi) east of Enderby. Just beyond the bridge over Ashton Creek, the road divides. Turn to the left onto the Mabel Lake Road. Proceed eastward for 20.3 km (12.4 mi) on the Mabel Lake Road to the Three Valley (Kingfisher) forest service road which is controlled by FM radio frequency 153.230.

The road to the Mile 8 calcite quarry and the Dakota zone diverges to the left up the hill from the Three Valley road at km 12.9 (mile 7.4). The road to the Central zone diverges to the left up the hill from that road at km 13.8 (mi 8.4). A very overgrown road to the Cominco zone diverges up hill from the road just east of a small creek at km 16.8 (mi 10.2). The old road to the Mile 12 trench diverges to the right and down hill from the main road at km 19.4 (mi 11.8). The western part of the Central zone can be accessed by 4-wheel drive vehicles in dry weather. The eastern part of that zone can be reached only on foot.

The town of Enderby, located about 44 km (26.8 mi) west of the claims by road, is the nearest supply and service center to the Property. Services at Enderby are sufficient to support surface exploration programs such as prospecting, mapping, or soil sampling. Salmon Arm, located at the junction of B.C. Highways 1 and 97C, about 68 km (41.5 mi) north of the Property, hosts the nearest helicopter base and a rail yard where mineral products can be loaded for transport to a smelter. The city of Kamloops, located on B.C. Highway 1 about 175 km (106.8 mi) west of the Property has services necessary to support a mining operation.

The Property-area experiences cold winters and hot, dry summers. Winter snow falls by late November and stays on the ground until April in open areas. Surface work can be conducted in the Property-area from April until November in a normal year.

The Property is on crown land with no special restrictions on development thereon. Upon development permitting, one normally is able to secure surface rights necessary to conduct a permitted mining operation. The Author knows of no legal impediment to preventing the Corporation from securing such surface rights as part of the permitting process.

Two parallel, high-voltage power transmission lines cross the southeastern and eastern parts of the claim-area. Adequate fresh water for a mining operation could be drawn by gravity from either Kingfisher Creek or Danforth Creek from locations north of the Property.

Both the mining business and the pool of professionals and skilled tradesmen who serve it are international and mobile. The Kamloops-North Okanagan area has sufficient amenities to attract the people needed to operate a new mine.

There is adequate, reasonably flat area appropriate for erecting a mill and developing a moderately sized tailings pond in the Kingfisher Creek valley in the northern part of the Property-area.

History of the Colby Mines Property

Chronology of Ownership and Exploration of Claims in the Colby Mines Property-area

1963 The showings of the area that became the Central zone were discovered by W.C. Rotar of the Bright Star Trio syndicate of Vernon, B.C. The Bright Star property was staked to cover the showings. By 1964, the Bright Star property comprised 28 2-post claims (McKechnie and Smith, 1964) with a maximum area of 585.2 ha (1,445.4 A).

The Consolidated Mining and Smelting Company of Canada Limited (Cominco) discovered the showings of the Cominco and Mile 12 zones and staked the core of the Kingfisher property located east of the Bright Star property. Cominco recorded a total of 65 2-post claims from November 19, 1963 to September 28, 1964. In its final form, that property covered about 1,337.6 ha (3,303.9 A) after deduction for overlap.

1964 Sheep Creek Mines Ltd. optioned the Bright Star property from the Bright Star Trio syndicate. Sheep Creek drilled six diamond-drill holes totalling 195.7 m (642 ft) and excavated several hand-blasted and bulldozer trenches over a distance of 731.5 m (2,400 ft) along the trend of the Central zone between elevations of 762 and 838 m (2,500 and 2,750 ft) (Chisholm, 1973). Five zinc-lead showings were explored in the Central zone at that time (McKechnie and Smith, 1964). Sheep Creek terminated its option on the property.

Probably, Cominco optioned the Bright Star property from the syndicate after the withdrawal of Sheep Creek. From September 1 to November 15, 1964, Cominco conducted 1:1,000-scale geological mapping over a 15.2 km2 (5.7 mi2) area that covered both the Kingfisher and Bright Star properties as well as the area that would become known as the Dakota showings (Gifford and Richardson, 1964A). Also, a total of 65 ha (160.6 A) and 97.5 ha (234.7 A) were mapped at a scale of 1:100 in the Cominco and Mile 12 zones respectively (Gifford and Richardson, 1964A). Zinc-lead mineralization was found to be hosted by a marble and calc-silicate rock unit that transected both the Bright Star and Kingfisher properties.

From October 1 to 31, 1964, Cominco conducted a magnetic survey over a 5 km2 (1.9 mi2) area on the Kingfisher property (Gifford and Richardson, 1964B). Grid lines in the southeastern part of the survey-area were 121.9 m (400 ft) apart. Traverses were conducted along logging roads in the northwestern part of the survey-area. Readings were taken at 15.2-m (50-ft) intervals along the lines. Readings at loop-back stations were used to correct data for diurnal variation in vertical magnetic field. Magnetic "highs" where total vertical magnetic field exceeded the average for the survey by at least 400 nanoteslas (gammas) were located in several parts of the survey-area. The distribution of those magnetic "highs" did not relate to the trends of stratigraphy and mineralization.

Cominco drilled four diamond drill holes that cut a total of 112.8 m (370 ft) into the Cominco zone (Smith, 1964).

1965 Dakota Silver Mines Ltd. staked the Elk and Dakota claims to the west of Bright Star property over the showings that would become known as the Dakota zone (Figure 4W). The property comprised 28 2-post claims (McKechnie, 1965) that covered a maximum of 585.2 ha (1,445.4 A).

E.O. Chisholm (1973) described Dakota's work on its claims that year as follows:

In 1965, Dakota Silver Mines Ltd. of Vernon, B.C. staked claims ... on the middle fork of Kingfisher Creek 8 miles (12.9 km) upstream from the confluence with Shuswap River. On the Elk 3 claim ... approximately at elevation of 2,820 to 2,980 feet (859.5 to 908.3 m), several trenches were blasted and at the lower elevation a diamond drill site was noted at which two holes

were drilled at an inclination of 45° and 68° towards the trenched area, at a bearing of N. 20° West (340°). No core was found. The showing area was examined and sampled by the writer.

Chisholm, E.O.; 1973: p. 6.

Cominco lost interest in the area and let its Kingfisher property lapse.

1968 The Bright Star property had grown to include a total of 127 2-post claims (Smith and Wardman, 1968) which could have had a maximum area of 2,654.3 ha (6,556.1 A). Fourteen trenches were dug and a 7.3-m (24-ft) long drill hole was drilled by a 2-man crew during a four-month long program that year.

1969 The Bright Star property comprised a total a total of 123 full and fractional 2-post claims that covered an area of about 2,402.7 ha (5,934.7 A). It extended from the Mile 8 zone to the Mile 12 zone and covered most of the area covered by the current Colby Mines Property.

Alrae Engineering Ltd. of Vancouver, B.C. was commissioned to conduct magnetic surveys in three areas: north of the Mile 8 zone and south of the current FX- ZONE (692004) claim (named the Golden West grid-area), along the southeastern margin of the Central zone on the current COLBY MINES (544490) and COLBY EAST (692083) claims (named the Star grid-area), and around the Mile 12 zone on a grid centred on the current 12 MILE (692043) claim (named the Bright Star Trio grid-area) (Jury, 1970). A total of 2,564.1 m (8,412.5 ft) of base line and 28,541.5 m (93,640 ft) of grid line was surveyed in the three grids. Grid lines were spaced 61 m (200 ft) apart; readings were taken at 30.5-m (100-ft) intervals along the lines. A total of 3,273.5 m (10,740 ft) of fill-in line at 30.5-m (100-ft) spacings were surveyed at 16.2-m (50-ft) spacings in a magnetically interesting part of the Bright Star Trio grid. Adjacent lines were also surveyed at 15.2-m (50-ft) intervals.

David Smith (1970) commented on the 1969 Bright Star exploration program as follows:

A magnetometer survey covering 28 line-miles (45.1 line-km) was run over the BRIGHT STAR TRIO, GOLDEN WEST, and STAR groups; 1,000 soil samples were collected from the same claims for chemical analysis; and 10 holes totalling 597 feet (182 m) were diamond drilled from surface.

Smith, David; 1970: p. 298.

1965 to 1973

Bright Star Trio Mining Ltd. conducted extensive bulldozer trenching and stripping, and some diamond drilling in the Central zone (Chisholm 1973; Höy, 1977).

1973 and 1974: Summary

Colby Mines Ltd. located 34 (2-post) claims over the original Bright Star property (the Central zone) in 1973 ... and subsequently expanded the property to over 250 claims to include the original Kingfisher property (covering the Cominco and Mile 12 zones), the original Elk and Dakota claims (Dakota zone), and the Mile 8 zone. From a map published by Trigve Höy (1975), the author calculated that the 1974-era Black Jack property covered about 5,565 ha (13,476 A).

Trigve Höy (1975) described the staking of the Black Jack property by Colby Mines Ltd. in the current property-area and its exploration as follows:

WORK DONE

1973 and early 1974 - linecutting, magnetometer survey, and altimeter survey, 7 line-miles (11.3 line-km); linecutting and electromagnetic survey, 2.9 line-miles (4.7 line-km); surface geological

mapping, 1 inch equals 100 feet and 50 feet; surface diamond drilling, 25 holes totalling 5,604 feet (1,708.1 m) on FX 2, 3, 21, and 22 (the Central zone);

1974 - surface geological mapping, 1 inch equals 100 feet, ground magnetometer survey, 100-foot (30.5-m) grid spacing, more than 6.8 line-miles (10.9 line-km); and geochemical soil survey, 100-foot (30.5-m) grid spacing, more than 6.8 line-miles (10.9 line-km) covering the FX 2, 3, 21, and 22 (the Central zone) and three other groups in the north and south parts of the property; packsack drilling, five holes; road construction 2 miles (3.2 km); trenching, 250 feet (76.2 m); stripping 1,500 by 300 feet (457.2 X 91.4 m).

Höy, Trigve; 1975: p. 94.

Trigve Höy (1977) commented that trenching in August and September of 1974 led to the discovery of lead-zinc mineralization 150 to 200 metres (492.1 to 656.2 ft) east and downslope of the original Bright Star showings. These new showings are in a nearly pure marble layer striking north-northeast and dipping to the east.

1973 The 1973 main grid in the Central zone comprised a 1,005.8-m (3,300-ft) long base line oriented at 020°-200° along a previously established claim line. Thirty-three lines were turned at right angles off the base line at 30.5-m (100-ft) intervals and extended for 152.4 m (500 ft) on both sides of the base line. The grid covered a total of 30.66 ha (75.73 A). At that time, the Central zone was referred to as either the East or Main zone.

E.O. Chisholm (1973) mapped the geology on the 1973 grid and sampled zinc-lead mineralization in six zones within it (Figure 9) (Table 5) and reported the results as follow:

Zone 1

Located at ... 00 on base line ... Elevation 2475 feet (754.4 m).

The showing consists of a 450 foot (137.2-m) long zone of massive to disseminated sulphides varying from a few feet to 25 feet (7.6 m) in width in a crystalline limestone host rock (Figures 26N, 26C, and 26S). It dips vertically and strikes N. 20° to 30° E. The limestone strikes the same direction but dips at 50° to the east. Sulphides consist of pyrrhotite, sphalerite, galena, pyrite and minor chalcopyrite in massive form, and disseminated throughout the limestone walls ... Seven representative grab samples (of massive sulphide mineralization), taken at intervals of 50 to 100 feet (15.2 to 30.5 m) along the veins (Table 5).

Zone 2

Location 0 + 1800 North, 300 West. Elevation 2750 feet (838.2 m).

Zone 2 is comprised of massive sulphides containing considerable galena and sphalerite. Length is 150 feet (45.7 m) and width 10 to 15 feet (3.5 to 4.6 m). Strike N 20° E, dip 75° east. The host rock is quartzite. The zone appears to pinch out or is faulted off at both ends. A grab sample of representative sulphide from the pit on the showing assayed (as in Table 5).

Zone 3

Location 0+ 2100N. Elevation 2700 feet (823 m) on base line. Comprised of 20 feet (6.1 m) high rock face exposing massive and disseminated pyrrhotite, sphalerite and galena over a width of 25 feet (7.6 m). A rusty zone of mineralized rubble extends 50 feet (15.2 m) on either side of the showing. Strike at both ends is covered with overburden. The zone strikes N 20° E and dips vertically. The rock face shows considerable north south fracturing and shearing. The host rock sulphides is quartzite.

A representative chip sample across the sulphide zone face assayed (as in Table 5).

Zone 4

Location 0+ 2400N; 130 East. Elevation 2750 feet (838.2 m). Comprised of 12 feet (3.7 m) wide sulphide zone extending for 100 feet (30.5 m) in a N 20° E direction. Dip vertical. Sulphides consist of massive and disseminated pyrrhotite, sphalerite and galena. The host rock is crystalline limestone that dips flatly at 15° to the east. No samples were taken due to the rusty oxidized nature of the rock. The zone appears to be an extension of zone No.1 faulted 100 ft. (30.5 m) to the east.

Zone 5

Location 0+ 2400 feet North, 400 feet East. Elevation 2800 feet (853.4 m). Comprised of 20 feet (6.1-m) wide 200 feet (61-m) of massive and disseminated sulphides striking N 20° E and dipping vertically. The sulphides consist of pyrrhotite, sphalerite and minor galena in a quartzite host rock. The north and south ends of the showing are covered with overburden and open to extensions.

Three representative samples from the zone assayed (as in Table 5).

Zone 6

Location 0+ 32 (32 + 00) N 500 E. Elevation 2850 feet (868.7 m). Comprised of a 15 foot (4.6-m) wide zone of massive to disseminated sulphide exposed for a length of 50 feet (15.2 m). Sulphides consist of pyrrhotite, sphalerite and galena in a crystalline limestone host rock similar to No.1 showing. The north and south ends of the showing are covered with overburden and open to extensions. The strike is N 20 to 30° East; dip vertical. The enclosing limestone strikes N 20° E and dips 30° East. Two hundred feet (61 m) to the south along strike the zone appears again and the total zone length is possibly 250 feet (76.2 m). The zone appears to be a faulted extension to the east of the No.4 zone.

A representative grab sample of sulphide assayed (as in Table 5).

Chisholm, E.O.; 1973: pp. 10-15.

E.O. Chisholm (1973) examined and sampled the Dakota zone which at that time was named the West or FX 5 zone. He described that zone as follows:

A series of bulldozer trenches and rock trenches at widely spaced intervals expose a 15 to 25- feet (4.6 to 7.6-m) - wide zone of sulphide in crystalline limestone and quartzite. Mineralization consists pyrrhotite, sphalerite and minor galena in silicified shears and disseminated zones.

Two drill holes were drilled at angles of 45° and 65° beneath one of the rock trenches ... Above the drill holes some 75 feet (22.9 m) vertically a rock trench exposed 30 feet (9.1 m) wide lead-zinc zone. A chip sample across 30 feet (9.1 m) taken by the writer assayed lead 0.54% zinc 2.15% silver 0.06 oz/ton (11.2 gm/mt) gold 0.001 (0.034 gm/mt).

The FX 5 zone (Dakota zone) is similar geologically and mineralogically to the main zone on FX 21 ...

Chisholm, E.O.; 1973: p. 16.

From September 8 to 21, 1973, P.P. Nielsen (1974) conducted topographic and magnetic surveys in the 1973 main grid area. Chisholm's zones 1 and 6 corresponded with "lows" in the vertical magnetic field. Zones 2, 3, and 5 corresponded with magnetic "highs", and zone 4 was accompanied by a very subtle magnetic response.

The northern part of the 1973 main grid containing Chisholm's zones 2 to 6 was considered to be the most prospective area by Colby Mines. From November 2 to 7, 1973, P.P. Nielsen (1974) conducted a horizontal loop "shootback" electromagnetic survey over a grid that straddled the northern part of the 1973 main grid. The 1973 EM grid was centred on a 701-m (2,300-ft) long base line that was oriented at 055° lines were extended for 91.4 m (300 ft) at 90° from each side of the base line. Lines 1W and 0 were extended another 91.4 m (300 ft) to the southeast. The 1973 EM grid covered an area of 13.1 ha (32.36 A).

Table 5
E.O. Chisholm's 1973 Sampling in the Central Zone

"Representative grab" Sample No.	Location on 1973 Grid	Length m ft	Pb %	Zn %	Au gm/mt oz/ton
Zone 1					
Grab No. 1	0 + 50 N.	0.6 2	0.19	15.60	
Grab No. 2	1 + 00 N.	1.5 5	3.68	11.30	
Grab No. 3	1 + 50 N.	6.1 20	0.12	2.48	
Grab No. 4	1 + 75 N.	6.1 20	0.17	2.52	
Grab No. 5	2 + 50 N.	1.5 5	0.09	1.43	
Grab No. 6	3 + 50 N.	1.5 5	0.02	0.06	
Grab No. 7	3 + 75 N.	3.5 10	0.21	1.50	
Zone 2					
Grab sample	18 +00 N. 3 + 00 W.	Grab from pit	0.01	3.90	
Zone 3					
Composite chip	21 + 00 N. 0 + 00 W.	15.2 50 (assumed)	0.31	1.59	0.034 0.001
Zone 4					
Not sampled					
Zone 5					
Grab 1	26 + 00 N. 4 + 00 E.	6.1 20	1.02	4.66	
Grab 2	25 + 00 N. 4 + 00 E.	6.1 20	0.24	2.41	
Grab 3	24 +75 N. 4 + 00 E.	6.1 20	0.01	0.13	
Grab 4	24 +75 N. 4 + 00 E.	Best mineral	1.05	6.12	
Zone 6					
Grab sample	32 + 00 N. 5 + 00 E.	?	0.02	1.94	

1973 Continued

Four conductive zones were found in the 1973 EM grid area. P.P. Nielsen discussed the results of the 1973 magnetic and electromagnetic surveys as follows:

... The most pronounced magnetic feature observed ... is the northeast striking linear across the north-central grid-area which consists of a series of dipolar anomalies of magnetic highs with adjacent lows. These dipoles are the responses due to steeply dipping, near-surface dike-like bodies of moderate to high magnetic susceptibility.

The linear is interpreted as a shear-zone in which numerous bands, veins and, possibly lenses or pods of pyrrhotite occur. Three showings along this linear co-incident with these dipoles exhibit a close association of pyrrhotite, sphalerite and galena. The linear is open at both ends of the grid and it is reasonable to assume that further magnetic coverage in these directions will delineate other mineralized zones.

Due to the lack of susceptibility contrast between the gneisses, quartzites and limestones observed within the survey area, magnetic mapping on rock-types and cross-faults has been relatively unsuccessful. However, the series of spot magnetic highs and/or lows as well as flexures corroborated by the electro-magnetic survey and the geological and topographical evidence strongly indicate the existence of cross-faulting which appears to have dissected a continuous zone on mineralization into pods and lenses as observed in the showings.

... The present survey coverage has partially delineated another interesting magnetic feature on the eastern ends of Lines 12 to 17 inclusive (Figure 10S) ... (which) could represent sulphides of economic significance.

Numerous other local dipolar anomalies occur throughout the grid and all are thought to be caused by pyrrhotite likely associated with sphalerite and galena.

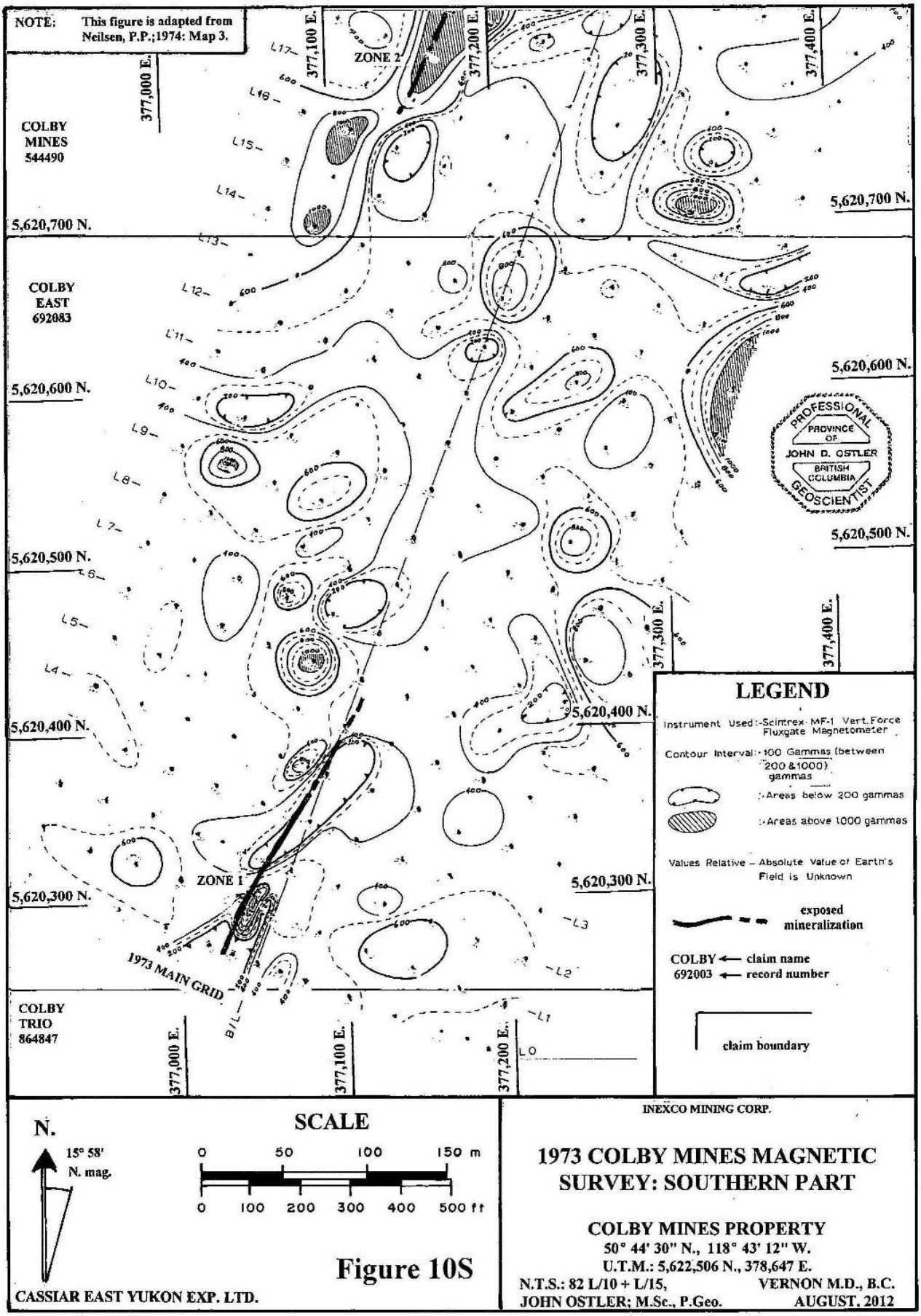
Recent drilling has shown that the geology is quite complex. Mineralization has been encountered in all rock-types present but the best mineralized intersections to date appear to be along the interpreted "shear" coincident with dipolar magnetic anomalies. The limestone is interfingered with the quartzites and the gneisses are highly folded, faulted and irregular.

Nielsen, P.P.; 1974: pp. 7-9.

1974 The 1973 electromagnetic grid was expanded to form the 1974 Colby Mines grid. The 1974 grid extended for 975.4 m (3,200 ft) northeastward along the base line and for 609.6 m (2,000 ft) southeastward across it to include an area of 59.46 ha (146.87 A). It covered parts of the current COLBY MINES (544490) and COLBY EAST (692083) claims.

From November 12, 1973 to March 2, 1974, Colby Mines Ltd. drilled 25 holes, using a PBS-1 drill. A total of 1,708.1 m (5,604 feet) of AQ core was recovered. Drilling commenced in the northeastern part of the 1973 grid on Chisholm's zones 2 to 6 in the Central zone and spread both east-northeast across the 1974 grid-area and south-southwest to Chisholm's zone 1.

Two zones, named 'A' and "B' were identified by drilling in the north-central part of the Central zone. Zone 'A' covered Chisholm's zones 2 to 4. Zone 'B' coincided with Chisholm's zones 4 to 6.


NOTE: This figure is adapted from Neilsen, P.P.;1974: Map 3.
377,000 E.
377,100 E.
377,200 E.
377,300 E.
377,400 E.
ZONE 2
ZONE 1
COLBY MINES 544490
COLBY EAST 692083
COLBY TRIO 864847
5,620,700 N.
5,620,600 N.
5,620,500 N.
5,620,400 N.
5,620,300 N.
1973 MAIN GRID
B/L
L17
L16
L15
L14
L13
L12
L11
L10
L9
L8
L7
L6
L5
L4
L3
L2
L1
L0
PROFESSIONAL GEOSCIENTIST
PROVINCE OF BRITISH COLUMBIA
JOHN D. OSTLER
LEGEND
Instrument Used:-Scintrex MF-1 Vert. Force Fluxgate Magnetometer
Contour Interval:-100 Gammas (between 200 &1000) gammas
:-Areas below 200 gammas
:-Areas above 1000 gammas
Values Relative – Absolute Value of Earth's Field is Unknown
exposed mineralization
COLBY ← claim name
692003 ← record number
claim boundary
N.
15° 58' N. mag.
SCALE
0 50 100 150 m
0 100 200 300 400 500 ft
Figure 10S
CASSIAR EAST YUKON EXP. LTD.
INEXCO MINING CORP.
1973 COLBY MINES MAGNETIC SURVEY: SOUTHERN PART
COLBY MINES PROPERTY
50° 44' 30" N., 118° 43' 12" W.
U.T.M.: 5,622,506 N., 378,647 E.
N.T.S.: 82 L/10 + L/15, VERNON M.D., B.C.
JOHN OSTLER; M.Sc., P.Geo. AUGUST, 2012

1976 During the spring of 1976, Union Oil Company of Canada Limited of Calgary, Alberta optioned the Kingfisher property (the Black Jack property re-named) from Colby Mines Ltd. Apex Drilling of Salmon Arm, B.C. was commissioned to conduct a total of 1135.4 m (3,725 ft) of AQ core drilling. Holes 76-01 to 76-24 were drilled into the northeastern part of the Central zone. Drilling was conducted from October 4 to December 21, 1976.

P.P. Nielsen (1977) conducted a ground-magnetic survey in the area of the 1976 drilling from October 20 to 30, 1976 in order to assist in spotting drill holes. A total of 5,670 m (18,602.4 ft) of line in the 1973 electromagnetic grid was re-cut and surveyed for vertical magnetic field. Readings were taken at 7.6-m (25-ft) intervals along lines spaced 30.5 m (100 ft) apart. Intermediate stations were spaced at 3.8-m (12.5-ft) and 1.9-m (6.25-ft) intervals in areas with steep magnetic gradients. Data was corrected for diurnal field variations. Nielsen returned to the property from December 4 to 6, 1976 to survey 1,418 m (4,652.2 ft) of the grid for total magnetic field (Figure 17). He concluded as follows:

The magnetometer survey has resulted in a clearer, but by no means complete, understanding of the Kingfisher property. Magnetics have proven to be a fast, relatively inexpensive geophysical tool for locating drill-holes for the proving of Zn - Pb tonnage and grade.

A comparison of the present vertical force results with the contour map of the magnetometer survey carried out in 1973 over a larger area using a different grid-line orientation and wider sampling interval clearly shows that it is necessary to carry out a very detailed survey using accurately located grid-lines and stations.

The total field test survey did not add significantly to the interpretation of the magnetics but did partially delineate a new magnetic feature to the west of the present area under investigation.

All dipolar anomalies drilled thus far have been due to pyrrhotite which has been accompanied by significant thicknesses and grades of sphalerite-galena mineralization.

It is therefore recommended that all dipoles should be drilled and that the entire property should be magnetically surveyed using a coarse-cut grid initially with detailed coverage to follow in areas of interesting magnetic response.

Nielsen, P.P.; 1977: p. 8.

1977 Correspondence between K.L. Daughtry and representatives of Union Oil, and an account in Geology in British Columbia 1977 (Höy, 1977) indicate that a total of 7 holes were drilled which resulted in the production of 818 m (2,683.7 ft) of BQ core. Drill hole 77-2 was located south of historic resource zone ‘A’. Minor lead-zinc mineralization was intersected in several parts of the hole (Godfrey, T.J.R. et al., 1977).

By May 2, 1978, Union Oil had terminated its option on the Kingfisher property. At that time, the property had sufficient assessment work filed to its credit to keep it in good standing until 1981.

1978 to 1986

The history of exploration in the current Colby Mines Property area is unknown to the Author.

1986 to 2005

Fragmentary evidence from several claim maps indicates that K.L. Daughtry and Associates Ltd. and later, Discovery Consultants Ltd. maintained two 2-post claims over resource zones ‘A’ and ‘B’ in the Central zone. Those claims were allowed to lapse and subsequently re-staked on several occasions. The area northwest of the Central zone was held by various parties unknown to the Author.

1987 Barry Buchanan staked the OM 1 to 6 (2283 to 2288) 2-post claims in the Mile 8 showings-area on June 8, 1987. The property covered 250.8 ha (619.6 A) located in the current TXX-Kingfisher property-area. Control of the claims passed to McCrory Holdings (Yukon) Ltd. of Vancouver, B.C.

1988 G.E. Nicholson (1988) examined the OM claims on March 19, 1988 for its limestone potential. Nicholson took 11 samples of white limestone which contained from 42.72 to 52.79% calcium oxide with acceptably low concentrations of silicon, iron, magnesium, aluminum, and sulphur.

1992 The Kingfisher Marble property was staked by Alfred Green. The property comprised 37 2-post and 2 modified grid claims that covered 1,309 ha (3,323.2 A) and covered the southeastern part of the current Colby Mines Property-area. It extended from the Mile 8 zone to north of the Mile 12 zone. That property was explored for white calcite-rich marble. The operators seem to have had no interest in the base and precious-metal potential of the area.

1992 and 1993

Ralph Englund (1995) recorded that Franz Capital Corporation gained control of the property and conducted a program including geological mapping, and 804 m (2,637.8 ft) of diamond drilling over an 800-m (2,624.7-ft) strike length. An historic resource of 10.2 million tonnes (11.22 million tons) of calcite marble was calculated for a 30 to 50-m (98.4 to 164-ft) wide zone that had a strike length of 1,300 m (4,625.1 ft). No details of that work nor parameters of that historic resource are known to the Author. The Author assumes that the marble resource extended from near the Mile 8 zone to south of the Central zone extending across the current TXX-Kingfisher property.

1994 Control of the Kingfisher Marble property passed to Kingfisher Marble Ltd. which commissioned Ralph Englund (1995) to report on exploration and production from the property. Englund summarized that development as follows:

> ... Field work to date has included the excavation of 24,000 tonnes (26,400 tons) of white marble of which some 4,000 tonnes (4,400 tons has been processed as a minus 2-inch landscape rock) ...
>
> ... the marble meets or exceeds A.S.T.M. requirements as a dimension stone. Based on exploration work to date, a reserve (historic resource) estimate has been made for 2.5 million tonnes (2.75 million tons) of white and decorative marble over a strike length of 900 metres (2,952.8 ft) (probably located on the current TXX-Kingfisher property located south of the current Colby Mines property) ...
>
> Englund, R.J.; 1995: Summary.

1995 to 1999

Records of mineral titles online (mtonline.gov.bc.ca) show that ownership of the Kingfisher Marble property changed hands several times ending up in those of the Sheriff by June 24, 1999.

No work was recorded for the credit of the claims held by K.L. Daughtry and Associates over the Central zone.

2000 to 2006

Andrew Hockhold of Armstrong, B.C. gained control of the Kingfisher Marble property on January 18, 2000. He filed physical work to keep the property in good standing.

2000 T.H. Carpenter of Discovery Consultants Ltd. staked the Kingfish 1 and 2 (376052 and 376053) 2-post claims on April 26 and May 1, 2000 respectively to cover historic resource zones ‘A’ and ‘B’ in the Central zone. The 2000-era Kingfish property covered 50 ha (123.5 A). The property was staked on behalf of the Peregrine Syndicate, a private group.

2001 Field work by Discovery on the Kingfish property comprised sampling in the area of the 1976 production from the Central zone. T.C. Carpenter described the program as follows:

> It is evident at the Central zone that a limited mining program was carried out at the site at some time in the past as evidenced by waste piles and the presence of crushed material stored on site ... The 2001 program comprised the sampling of crushed mineralized material contained within 12 45-gallon (205-litre) drums at the main showing area as well as the sampling of mineralized material from the waste piles ...
>
> Carpenter T.H.; 2001: p. 5.

Carpenter reported that the 12 drums contained about 3.5 tonnes (3.85 tons) of crushed mineralization. Carpenter mentioned that all six samples from the drums contained >10,000 ppm lead. From that, the author deduced that samples KF 01 to 06 were from the drums and that samples KF 07 to 10 were from the dumps. The six samples taken from the crushed mineralization in the drums (KF 01 to 06) contained an average of: 99 ppm copper, 5.44% lead, 9.16 % zinc, and 3.6 gm/mt (0.105 oz/ton) silver. The four samples taken from the dumps (KF 07 to 10) contained an average of: 144 ppm copper, 0.277% lead, 7.61 % zinc, and <1.1 gm/mt (<0.032 oz/ton) silver. (The results of the author's sample CM6-CON of seven of the drums is contained in Table 8.)

Carpenter's 2001 work put the 2000-era Kingfish property in good standing until October 26, 2005.

2005 and 2006

Discovery Consultants Ltd. sold the 2000-era Kingfish property to Bearclaw Capital Corp. of Vernon, B.C. The Kingfish 1 and 2 claims were included in the map-staked (no name) (512880) claim which expired on October 27, 2006.

2006 to 2009

Andrew Hockhold let most of the 2000-era Kingfisher Marble property lapse. He retained the current TXX-Kingfisher property (located around the Mile 8 zone), the KF 12 to 14 property (located south of the current Colby Mines Property), and the KF 4 (321313) claim which is surrounded by the eastern part of the current Colby Mines Property.

2006 On October 26, 2006, the day that Bearclaw's (no name) (512880) claim expired, Craig Lynes staked the COLBY MINES (544490) and F-X ZINC (544492) claims to cover that ground.

2009 to 2011

As claims owned by Andrew Hockhold and others expired, Craig Lynes staked more claims to increase the Colby Mines Property to near its current size. Lynes filed physical work on the property to keep it in good standing.

2010 On November 3, 2010, Kelly Funk of Nanaimo, B.C. map-staked the (no name) (837392) claim covering 2 cells or 40.91 ha (101.05 A) over the Cominco zone.

2011 On May 9, 2011, the Corporation obtained an option to purchase 100% interest in the Colby Mines Property subject to a 3% net smelter return from Rich River Exploration Ltd., a service company controlled by Craig Lynes.

2012 On February 7, 2012, Craig Lynes obtained the (no name) (837392) claim from Kelly Funk. The claim was immediately added to the Colby Mines Property and an amending agreement was signed by Rich River and the Corporation on February 8, 2012.

On April 4, 2012, Craig Lynes map-staked the COLBY JACK (978013) claim along the southeastern margin of the Colby Mines Property. The claim was automatically included in the Property. Lynes filed physical work on that claim to extend its expiry date to May 31, 2018.

On April 25, 2012, Colin Dunn and RIT Minerals Corp. map-staked the CD1 to 4 (982242, 982262, 982282, and 982283) claims to tie onto the western side of the Colby Mines Property. No work known to the Author has been conducted on those claims.

On January 19, 2012, the Author was commissioned to find as much of the unpublished exploration records from the property as possible and to produce a comprehensive history of work in the property area. Geotech Ltd. of Mississauga, Ontario was commissioned to conduct airborne magnetic and electromagnetic surveys over the property. The surveys were flown from March 6 and 7, 2012. Craig Lynes conducted a prospecting program from May 29 to June 13, 2012 in order to locate historic workings on the ground and to investigate areas of mineral potential indicated by recently uncovered exploration records and by the 2012 airborne geophysical surveys. The author conducted a sampling program of mineralized rock exposures on June 11, 15, 21, and 22, 2012.

2013 to 2014

No exploration was conducted on the Colby Mines Property.

Production from the Colby Mines Property-area

1966 The production file associated with MINFILE occurrence 082LNE007 records that 4 tonnes of mineralization was shipped from what would become known as the Central zone. That shipment contained 5,008 gm silver, 450 kg lead, and 166 kg zinc indicating a recoverable grade of 1,252 gm/mt (36.52 oz/ton) silver, 11.25% lead, and 4.15% zinc.

1976 The production file associated with MINFILE occurrence 082LNE007 records that 12 tonnes of mineralization was shipped from the Central zone. That shipment contained 187 gm silver, 1,157 kg lead, and 830 kg zinc indicating a recoverable grade of 15.58 gm/mt (0.45 oz/ton) silver, 9.64% lead, and 6.92% zinc.

Geological Setting and Mineralization

Regional Geology

The area northwest of Mabel Lake was mapped by A.V. Okulitch (1979) of the Geological Survey of Canada, from 1972 to 1974. He mapped the rocks in the Property-area as Palaeozoic and Proterozoic strata metamorphosed during the development of the Shuswap Metamorphic Complex. The rocks northwest of the property were mapped as undifferentiated granitoid gneiss and schist. The central calc-silicate band that contains much of the known mineralization was mapped as marble, calcium-silicate gneiss and amphibolite. Rocks southeast of the band were mapped as quartzite and pelitic schist. His account of the history of orogenic events in the area now covered by south-central British Columbia was as follows:

> Stratigraphic and radiometric studies indicate that a succession of orogenic events have affected rocks in the project-area beginning in the Archean and Early Proterozoic times ... The extent of such early events in the Shuswap Complex is unknown ...
>
> Intrusive rocks ... and meagre but widespread stratigraphic and structural evidence suggest that two orogenic events affected the Eastern Cordillera during Palaeozoic time. The first of these ... (that may have) occurred in the Late Ordovician, is the Cariboo Orogeny. At its type locality in the Cariboo Mountains a major break occurs between the Upper Cambrian and Upper Middle Ordovician strata ... Metamorphism of the Lardeau Group (occurred) at 479 +/- 17 Ma

..., a widespread mid-Ordovician unconformity in the Rocky Mountain Thrust Belt ... and effusion of activity along the continental margin (also occurred) at this time.

In the project-area, mesoscopic structural data are not definitively supportive of such an event as two phases of early isoclinal folding are not really distinguishable and at least one such phase is present in post-Ordovician units ... Tightly folded, pervasive foliation in the Lardeau Assemblage is not as clearly developed in the Milford and Kaslo groups and the Tsalkom and Sicamous Formations but regional differences in intensity of deformation and possible preferential development of early structures at depth ... obscure relationships. Earliest structures in the Mount Fowler Batholith ... appear to post-date earliest features in adjacent country rocks ... Despite such ambiguities, earliest structures in units of the Lardeau assemblage are interpreted to have formed during the Ordovician Cariboo Orogeny. Early structures in the Shuswap Complex may have also formed at this time.

The second Palaeozoic event is represented by a profound unconformity below middle Devonian strata in the Rocky Mountain thrust belt ..., a stratigraphic break in the Cariboo Mountains between Silurian and late Devonian units ... and an unconformity between the Milford and Lardeau groups in the Kootenay Arc ... and possibly west of Adams Lake. Formation of this unconformity coincided with Late Devonian plutonism and uplift. Greatest uplift, where the Devonian-Mississippian unconformity cuts below the mid-Ordovician one, corresponds generally with known exposures of Devonian plutons.

Permo-Triassic orogenic events (Sonoman) comprise deformation, low grade metamorphism, plutonism, uplift and erosion that effected rocks as young as Permian and preceded deposition of strata as old as Late Triassic in and south of the project-area and as old as Middle Triassic to the southeast near Grand Forks ... Evidence for these events is restricted to rocks of the Thompson Assemblage (sensu stricto) and the Chapperton Group in the Intermontane Belt and the southermost part of the Omenica Crystalline Belt. Farther east, a disconformity separates Triassic from older rocks ... These events are the earliest known in the Okanagan Plutonic and Metamorphic Complex.

The Columbian Orogeny, occurring during Early Jurassic to mid-Cretaceous time, was the major event affecting rocks in the project-area. Most of the polyphase (early (second phase), and late) folding, regional metamorphism and faulting took place at this time. Extensive plutonism accompanied and followed deformation ...

Within the project-area, radiometric data ... suggest that closure of the K-Ar isotopic system during waning regional metamorphism and deformation took place at least 130 to 155 Ma (Early Cretaceous to Middle Jurassic). Early Jurassic rocks ... were affected by most deformational phases of the orogeny; Early Cretaceous plutons are post-tectonic.

Uplift and erosion followed the Columbian Orogeny. Final cooling of the high grade metamorphic rocks may not have taken place until about 50 Ma ..., or a discrete thermal event, perhaps associated with Eocene plutonic and volcanic rocks, affected the Rb-Sr and K-Ar isotopic systems and annealed fission tracks in zircon, sphene and apatite. Movement along northerly trending faults and latest warping preceded or accompanied extrusion of (early Tertiary plateau basalts). Numerous feeder dykes followed fracture and fault planes. Such tensional features may be induced by post-orogenic erosion, uplift and cooling of the crust ...

Post Eocene uplift and faulting took place predominantly in the Shuswap Complex and resulted in erosion of (early Tertiary Kamloops Group volcanics) and further exposure of the metamorphic terrane.

Okulitch, A.V.; 1979: G.S.C., Open File 637,
Notes to Map B: Stratigraphy and Structure.

Table 7
Table of Geologic Events and Lithologic Units around Mabel Lake

Time	Formation or Event
Recent 0.01-0 m.y.	**Valley rejuvenation**: Down cutting of stream gullies through till, development of soil profiles.
Pleistocene 1.6-0.01 my.	**Glacial erosion and deposition:** Removal of Tertiary-age regolith, deposition of till and related sediments at lower elevations, smoothing of the Tertiary-age land surface.
Miocene to Pliocene 23.8-1.5 m.y.	**Intrusion of olivine basalt dykes**.
Eocene to Pliocene 57.1-1.6 m.y.	**Erosion, and unroofing of the rocks, incision of the land surface:**
Eocene 56.5-35.4 my.	**Tensional faulting:** Deposition of the Kamloops Group flood basalt on the erosional surface.
Late Cretaceous to Eocene 97-57.1 m.y.	**Disruption of stratigraphy by northerly trending transcurrent faults, onset of regional erosion. Transcurrent and normal faulting**
Early to Middle Cretaceous 146-97 m.y.	**Thrust and transcurrent faulting, and deformation of the Cache Creek terrane:** **Thrust faulting of Upper Eagle Bay and Sicamous Formation rocks** near Shuswap Lake
Early Jurassic to Middle Cretaceous 200-130 m.y. including Middle Jurassic to Early Cretaceous 155-130 m.y.	**Columbian Orogeny:** **Deformation of Cache Creek rocks in a northeastward dipping subduction zone, accretion of Nicola Group rocks to North America:** progressive deformation and regional metamorphism, overriding of Cache Creek and Quesnel terrain rocks onto Kootenay Arc strata, intense deformation, uplift, regional metamorphism culminating in extensive plutonism in Kootenay Arc rocks. The orogeny progressed from east to west. **First and second phase of folding in Upper Eagle Bay and Sicamous Formation rocks probably also in the Colby Mines Property-area.** **Metamorphic closure related to the Shuswap Metamorphic Complex:** **MINERALIZATION: Final re-mobilization of silver-lead-zinc mineralization in the Colby Mines Property-area**
Late Triassic (Rhaetian) 209.6-200 m.y.	**Deposition of the Nicola Group, and associated alkalic intrusions:** mafic volcanics, associated sediments, and coeval dioritic sub-volcanic intrusions cut by monzonitic to dioritic stocks in an island arc environment.
Late Permian to Early Triassic 256-241 m.y.	**Mild orogenic event in southern British Columbia:** Deformation, low-grade metamorphism, plutonism, uplift and erosion.
Late Devonian to Triassic 355-251 m.y.	**Deposition of the Kaslo and Milford Group clastic sediments in the Cordilleran Miogeosyncline.** These rocks were deposited on an erosional surface resulting in a major unconformity between them and the underlying eugeosynclinal rocks.
Late Devonian to Mississippian 355 to 314 m.y.	**Deposition of Upper Eagle Bay Formation felsic volcanic rocks and Sicamous Formation pelitic and carbonate sedimentary rocks** deposited on an erosional on Middle Eagle Bay stratigraphy.
Late Devonian 383-355 my.	**Regional Uplift and Plutonism:** An erosional surface developed on the Middle Eagle Bay, Slocan and Lardeau group rocks.
Early to Middle Ordovician 490-460 m.y	**Cariboo Orogeny:** Early deformation and regional metamorphism of the Lower to Middle Eagle Bay Formation, Slocan and Lardeau groups.

Time	Formation or Event
Cambrian to Devonian 544-355 m.y.	**Deposition of the metasedimentary rocks in the Colby Mines Property-area, the Lower to Middle Eagle Bay Formation mafic volcanic and meta-sedimentary rocks**, and the Lardeau and Slocan group volcanics and sediments in the Cordilleran Eugeosyncline. **MINERALIZATION: Deposition of Broken Hill-type massive sulphide mineralization in the Colby Mines Property-area**
	m.y. = million years ago

NOTE: Data for this table was compiled by the author from various sources including Okulitch (1979), Hoy (1998), and Douglas ed. (1970).

Regional Geophysics and Biochemistry

Regional Aeromagnetic Surveys

In 1965 and 1972, the federal Department of Mines and Technical Surveys conducted fixed-wing airborne aeromagnetic surveys over the area northwest of Mabel Lake. Energy, Mines, and Resources Maps, 4781G and 8503G covering N.T.S. map-areas 82 L/10 and 82 L/15 were two of the aeromagnetic maps produced. The current Colby Mines Property-area straddles the boundary of those two maps.

The generally north-northeasterly regional magnetic field pattern is re-oriented into a sub-circular pattern about 5 km (3.1 mi) in diameter. That pattern is centred on a mild "low" that is centred at the southern boundary of the FX-N2 (692303) claim. This "low" corresponds with an area of granulite-facies metamorphic rocks. It may have been produced by a loss of iron from those rocks by the expulsion of metal-rich fluids during local metamorphic re-crystallization.

Regional Biochemical Surveys

During April 2006, the Geological Survey of Canada conducted a program of helicopter-assisted tree-top sampling in an area flanking both sides of the northern part of Mabel Lake. The current Colby Mines Property-area was in the northwestern part of that survey-area. Twigs from near the tops of douglas fir trees were analyzed for 53 elements (Dunn and Thompson, 2007). Subsequently, those twig and needle samples were re-analyzed in order to discern which of the two media was most closely associated with mineralization (Dunn and Thompson, 2009). A total of 90 hemlock tree-bark samples were taken in an area of previously defined douglas fir twig and needle anomalies southeast of Mabel Lake.

Upon examining the results of those biochemical surveys in the Colby Mines Property-area, the author could not discern any patterns that were associated with mineralization.

Property Geology

Stratigraphy

Trygve Höy of the British Columbia Geological Survey examined the area of the current Colby Mines Property and summarized the local geology as follows:

> The property lies within the Shuswap Metamorphic Complex ... Jones (1959) (and) Okulitch (1974) assign rocks in the Colby area to the Monashee Group, a heterogeneous package of probable Proterozoic and Early Palaeozoic age comprising granitoid gneiss, augen gneiss, sillimanite-bearing schist, and prominent marble and quartzite layers.
>
> Rocks within the map-area have been divided into six metamorphic units and two intrusive units. The sequence of metamorphic units probably represents an originally conformable package of sedimentary rocks ...

> Unit 6 which includes all rock units beneath unit 5 is exposed only in the western part of the Central zone and north of the Cominco showings. This unit consists dominantly of medium to coarse-grained garnet-biotite gneiss that is intruded by many granite-pegmatite sills and dykes. Some white quartzite, marbles, and rare calc-silicate gneiss layers occur in unit 6.
>
> Unit 5 is well-exposed in the Central zone and northwest of the Cominco showings. It consists of fairly pure white marble interlayered with quartzite ... The more impure quartzite (layers included in) unit 5 (those containing diopside and/or feldspar) may be mineralized with sulphides; one of the most continuously mineralized sections in the Colby area is a zone in a quartzite which follows the baseline from approximately 7 +00 N to 11 + 00 N.
>
> Unit 4 is a heterogeneous unit comprised predominantly of calc-silicate gneiss, but including rusty-weathering to clean white marble, garnet-biotite gneiss, minor quartzite and minor amphibolite ... The rocks of unit 4 host sulphide mineralization in the Central zone, Dakota zone, and Cominco showings ...
>
> Unit 3 is a massive white marble up to several hundred metres thick ... Included in the marble are a number of discontinuous layers of garnet-biotite gneiss and hornblende gneiss. The most significant mineralization in the Central zone and all the mineralization in the Mile 12 and Mile 8 showings are contained within unit 3.
>
> Unit 2 consists of rusty-weathering garnet-biotite-sillimanite gneiss with minor amounts of associated calc-silicate gneiss. Granite-pegmatite bodies, up to several hundred metres in diameter commonly intrude unit 2.
>
> Unit 1 .. Consists of hornblende gneiss, garnet-biotite gneiss, and some calc-silicate gneiss. The hornblende gneiss grades to amphibolite ...
>
> Units 1 to 6 are intruded by numerous stock-like bodies. These range in size from small discontinuous sills a few metres in length to almost equidimensional stock-like intrusions several hundred metres in diameter ... The pegmatites are generally massive; only rarely do they have a conspicuous planar fabric ... They are composed of feldspar and quartz with lesser amounts of biotite, muscovite, and garnet ...
>
> Höy, Trygve; 1977: pp. G20 - G 21.

Trigve Höy (1977) tentatively correlated the rocks of the Colby Mines Property-area with those around Riondel on the eastern side of Kootenay Lake. Because of the loss of primary rock structures and textures in both areas, his correlation was based on the similarity of rock types and sequences.

He correlated the prominent marble unit in the Colby Mines Property-area (unit 3) with the lower Cambrian Badshot marble in the Riondel area. Mochican Formation schists, quartzites, and marbles underlying the Badshot Formation near Riondel were correlated with units 4 and 5 in the Colby area. Höy thought that unit 6 could be a more 'argillaceous' equivalent of the upper part of the Hamill Group.

Micaceous schists overlying the Badshot marble were correlated with the gneisses of unit 2 on the Colby Mines Property.

Deformation and Metamorphism

Trigve Höy (1977) described the deformation and metamorphism of the rocks exposed in the current Colby Mines Property-area as follows:

> The structure ... is dominated by four northwest-trending faults ... (with) right-lateral ... displacement ranging from ... 100 metres to 700 meters (328-2,297 ft).

> A fifth fault which trends northeast is inferred to cutout unit 3 southwest of the Central zone ... (There) biotite-garnet gneiss of unit 2 is in contact with calc-silicate gneiss of unit 4.
>
> These faults cut across an earlier mineral foliation which strikes north-northwest and dips at varying angles to the southeast. This foliation is ... almost parallel with layering. Mineral lineations contained within the foliation plunge to the southwest. Macroscopic folds were not recognized ... although two types of mesoscopic folds are common. The first type is typically tight to isoclinal and plunges to the southwest, parallel to the mineral lineations. The second type is more open and has a more variable attitude, although generally it plunges to the southwest ...
>
> The rocks of the Colby area have been subjected to high-grade regional metamorphism; aluminous gneisses contain sillimanite and occasionally kyanite. Diopside is common ... throughout the Colby area. The assemblage, diopside-forsterite (stable at 560° C temperature and 5 k bar pressure) was observed in one marble sample from the Mile 8 showing (south of the current property-area) ... The assemblage calcite-phlogopite-diopside-chondrodite (indicative of upper amphibolite and/or granulite facies metamorphism) has been identified in marbles at three localities ... Scapolite is common in calc-silicate gneisses, frequently being associated with diopside and plagioclase.
>
> Höy, Trygve; 1977: pp. G20 - G 23.

Property Mineralization

E.O. Chisholm (1973) examined the western part of the current Property-area and summarized his observations of mineralization in the Central and Dakota zones as follows:

> Mineralization includes pyrrhotite, sphalerite, galena and minor chalcopyrite and pyrite. It favours a replacement mode in vertically oriented lenses in the crystalline limestone and calcareous quartzite, but occurs also near the limestone in the enclosing quartzite.
>
> Structural control for the mineralization appears to be a northerly trending regional fault along the Kingfisher Creek valley ... The strike of the fault is sub-parallel to the mineralized zones which are possibly in subsidiary faults off the main structure.
>
> The strike trends in the host rock are also in this direction and are parallel to geological contacts. Compressional forces shown on the GSC Tectonic map of the area acted from the north and south causing northerly trending shears.
>
> A series of post mineral cross faults are evident displacing the favourable limestone belt and with it, the mineralized zones (in the Central zone) ...
>
> The evidence points to a vertical shear structure as a locus of mineralization that strikes in a N 20 to 30° E direction. The host limestone and gneissic quartzite strike in the same direction ... but dip at 40 to 50° easterly. The most favourable host for lead-zinc mineralization is the crystalline limestone. The sulphides are found in silicified shear zones within the limestone and locally in the enclosing quartzites. A second mode of occurrence ... is disseminated replacement of the limestone in proximity to the silicified shears.
>
> Chisholm, E.O.; 1973: pp. 8-10.

E.O. Chisholm's assumption that sub-vertical shears trending at about 025°-205° were responsible for mineralization is supported by results of the current (2012) airborne magnetic survey (Figure 22). In both the eastern and western parts of the property-area broad, north-northeasterly trending bands comparatively high magnetism occur. These could be expressions of conduits carrying pyrrhotite-sphalerite mineralization into the local stratigraphy.

Mineralization could have been deposited in sub-vertical dilations that trended at 055°-235°, parallel with orientation of the greatest compressional stress. The least compressional stress could have been oriented at 145°-325°. The dominant, right-lateral shear plane would trend at 025°-205° as E.O. Chisholm reported, and a recessive, left lateral shear plane would trend at 085°-265°.

The close association of galena and sphalerite with magnetic pyrrhotite has been of great benefit to exploration on the Colby Mines Property. Most of the 1974 to 1977 drill holes in the central zone were spotted on anomalies generated by P.P. Nielsen's (1974 and 1977) magnetic surveys.

Trigve Höy (1977) examined mineralization closely; his findings were as follow:

> Mineralization in marbles consists of dark, medium-grained sphalerite, with varying amounts of pyrrhotite and minor pyrite disseminated through a medium to coarse-grained white calcite matrix ... Galena is also common, though much finer grained and more widely scattered. In polished section, the sulphides appear as angular equidimensional to elongate intergrowths of dominantly sphalerite and pyrrhotite entirely enclosed in the calcite matrix. The sulphide concentration varies considerably across a mineralized zone, commonly producing a crude layering ... Poorly defined folds with tight hinge zones may be defined by this sulphide layering.
>
> Mineralized quartzites almost invariably contain calcareous minerals in accessory amounts ... Dark sphalerite with pyrrhotite in concentrated generally in thin layers, or is seen to define the foliation in the quartzite. Galena is more common in quartzites than in the marbles, although it is always subsidiary to sphalerite. The sulphide concentration varies form widely scattered individual sphalerite and pyrrhotite grains entirely enclosed in quartz to almost massive, sphalerite-pyrrhotite (+/- galena, pyrite) intergrowths with only interstitial subrounded to subangular quartz and diopside grains.
>
> Mineralization in calc-silicate gneisses shows gradational features between that in the marble and that in quartzite. Sphalerite, pyrrhotite, pyrite +/- galena may be evenly distributed through a coarse-grained calcite-diopside rock or may tend to concentrate in layers in a more quartz-rich rock.
>
> In general, mineralized sections in quartzites are of lower grade but are more continuous along strike with the layering than those in the marbles. Discontinuous high-grade pods are common in the marbles.
>
> Höy, Trigve; 1977: p. G27.

The Author examined mineralization in the Mile 12, Cominco and Central zones and found E.O. Chisholm's description of the setting of mineralization and T. Höy's description of its character to be accurate.

There seems to be no preferential concentration of mineralization in either calc-silicate or carbonate rocks throughout the Property-area. Thus, both rock types are prospective.

The Author's 2012 sampling is insufficient to predict an average tenor of mineralization at the Colby Mines Property. In 1974, K.L. Daughtry calculated that mineralization in Zones 'A' and 'B' in the Central zone contained an average of 0.58% lead and 2.60% zinc. His historic resource was calculated from the results of extensive sampling, both from surface exposures and from drill cores. This may be a reasonable assessment of the average tenor of mineralization that one could expect to find on the Property. The results of the Author's 2012 sampling in the Mile 12, Cominco, and Central zones are set out in Table 8.

Table 8
Ostler's 2012 Sampling Results

S. No.	U.T.M. Location	Claim	Zone	Description	Interval m ft.	Cu ppm	Pb %	Zn %	Ag gm/mt oz/t
CM1-1	5,622,523 N., 381,376 E.	12 MILE (692043)	Mile 12	bands and ribbons of Po, Sph in quartz gangue	0.50 1.64 composite chip	65.1	0.830	10.15	5.88 0.172
CM1-2	5,622,523 N., 381,376 E.	12 MILE (692043)	Mile 12	bands and ribbons of Po, Sph in quartz gangue	0.50 1.64 composite chip	68.5	0.195	4.81	0.72 0.021
CM1-3	5,622,523 N., 381,376 E.	12 MILE (692043)	Mile 12	intensely folded bands of Po, Sph in quartz gangue	0.40 1.31 composite chip	45.9	0.280	4.61	1.35 0.039
CM1-4	5,622,523 N., 381,376 E.	12 MILE (692043)	Mile 12	average of mineralization throughout the trench	composite grab	32.3	0.256	2.64	0.89 0.026
CM2-1	5,621,901 N., 379,107 E.	(no name) (337392)	Cominco	diss Sph + Po in boulder beside trench	chips off boulder	327	0.003	1.280	0.68 0.019
CM3-6.0-17.0m	5,621,961 N., 379,127 E.	(no name) (337392)	Cominco	average if greywacke throughout trench	11.0 36.1 composite chip	67.8	0.060	0.946	0.56 0.016
CM3-7.9m	5,621,961 N., 379,127 E.	(no name) (337392)	Cominco	band of disseminated Sph, Po in greywacke	0.3 0.98 composite chip	171.5	0.333	2.89	2.25 0.066
CM3-9.8m	5,621,961 N., 379,127 E.	(no name) (337392)	Cominco	band of disseminated Sph, Po in greywacke	0.03 0.09 composite chip	205	0.143	1.985	1.69 0.049
CM4-1	5,621,935 N., 379,135 E.	(no name) (337392)	Cominco	band of disseminated Sph, Po in greywacke	0.25 0.82 composite chip	41.8	0.187	3.06	2.37 0.069
CM4-2	5,621,935 N., 379,135 E.	(no name) (337392)	Cominco	band of disseminated Sph, Po in greywacke	0.02 0.08 composite chip	146.0	0.394	0.663	1.20 0.035
CM4-3	5,621,935 N., 379,135 E.	(no name) (337392)	Cominco	average if greywacke throughout trench	9.0 29.5 composite chip	23.8	0.005	0.459	0.53 0.015

S. No.	U.T.M. Location	Claim	Zone	Description	Interval m ft.	Cu ppm	Pb %	Zn %	Ag gm/mt oz/t
CM5-9.5m	5,620,612 N., 377,156 E.	COLBY EAST (692083)	Central Chisholm's Zone 1	heavily diss Sph, Po, Gal in cut across stripped outcrop	1.5 4.92 composite chip	59.9	0.269	1.365	0.49 0.014
CM5-30m	5,620,628 N., 377,159 E.	COLBY EAST (692083)	Central Chisholm's Zone 1	heavily diss Sph, Po, Gal in cut across stripped outcrop	4.0 13.1 composite chip	27.2	0.242	2.30	0.44 0.067
CM5-48m	5,620,640 N., 377,167 E.	COLBY EAST (692083)	Central Chisholm's Zone 1	lightly diss Sph, Po, Gal in cut across stripped outcrop	6.0 19.7 composite chip	40.7	0.119	0.217	0.83 0.024
CM5-61m	5,620,647 N., 377,177 E.	COLBY EAST (692083)	Central Chisholm's Zone 1	lightly diss Sph, Po, Gal in cut across stripped outcrop	8.0 26.2 composite chip	17.9	0.212	0.635	0.28 0.008
CM5-86m	5,620,668 N., 377,182 E.	COLBY EAST (692083)	Central Chisholm's Zone 1	lightly diss Sph, Po, Gal across stripped outcrop	7.0 23.0 composite chip	13.6	0.330	0.538	0.26 0.008
CM5-99m	5,620,676 N., 377,190 E.	COLBY EAST (692083)	Central Chisholm's Zone 1	lightly diss Sph, Po, Gal in cut across stripped outcrop	2.0 6.56 composite chip	16.5	0.005	0.0934	0.27 0.008
CM5-121m	5,620,702 N., 377,197 E.	COLBY EAST (692083)	Central Chisholm's Zone 1	lightly diss Sph, Po, Gal in trench across stripped outcrop	6.4 21.0 composite chip	15.2	0.115	0.0239	0.10 0.003
CM6-CON	5,621,165 N., 377,421 E.	COLBY MINES (544490)	Central	brown-grey concentrate	grab from the 7 of 15 drums still in good enough condition to sample	67.0	6.17	0.931	`
CM7-1	5,621,162 N. 377,306 E.	COLBY MINES (544490)	Central Chisholm's Zone 2	band of msv to diss Po, Gal, Sph in silica gangue	1.5 4.92 composite chip	51.6	9.43	11.60	6.12 0.179
CM7-2	5,621,157 N. 377,302 E.	COLBY MINES (544490)	Central Chisholm's Zone 2	band of msv to diss Po, Gal, Sph in silica gangue	1.5 4.92 composite chip	133.0	2.33	8.21	3.47 0.102

S. No.	U.T.M. Location	Claim	Zone	Description	Interval m ft.	Cu ppm	Pb %	Zn %	Ag gm/mt oz/t
CM8-1	5,620,588 N., 377,160 E.	COLBY MINES (544490)	Central Chisholm's Zone 3	lightly diss Sph, Po, Gal in silica gangue across stripped outcrop	1.0 3.05 composite chip	66.0	0.151	0.717	0.55 0.016
CM8-2	5,620,628 N., 377,159 E.	COLBY MINES (544490)	Central Chisholm's Zone 3	msv to diss Sph, Po, Gal in rubble in northern part of trench	composite grab	355	2.54	5.11	1.43 0.042
CM8-3	5,620,640 N., 377,167 E.	COLBY MINES (544490)	Central Chisholm's Zone 3	msv to diss Sph, Po, Gal in silica gangue	2.5 8.20 composite chip	195.0	1.435	2.09	2.14 0.062
CM9-1	5,620,647 N., 377,177 E.	COLBY MINES (544490)	Central Chisholm's Zone 4	msv to diss Sph, Po, Gal in rubble across moss-covered outcrop	composite grab	60.6	0.230	1.365	0.99 0.029
CM10-1	5,620,668 N., 377,182 E.	COLBY MINES (544490)	Central Chisholm's Zone 5	lightly diss Sph, Po, Gal in silica gangue in blocks near trench across outcrop	composite grab	22.0	0.003	0.0778	0.24 0.007

Notes: **For locations of samples, see Figures 4E, 4W, and 24 to 29.**
Py = pyrite, Po = pyrrhotite, Cpy = chalcopyrite, Ars = arsenopyrite, Gal = galena, Sph = sphalerite, msv = massive, diss = disseminated

Deposit Type

The mineral exploration targets on the Colby Mines Property are Broken Hill-type sedimentary exhalite, massive sulphide deposits.

Broken Hill type massive sulphide deposits were described by Trygve Höy (1996) as follows:

BROKEN HILL TYPE Pb-Zn-Ag +/- Cu S01

IDENTIFICATION

SYNONYMS: Shuswap-type, Ammeburg-type Zn-Pb, Jervois-type.

COMMODITIES (BY-PRODUCTS): Pb, Zn, Ag, (Cu, Au, barite)

EXAMPLES (British Columbia (MINFILE # - Canada/ International):
Cottonbelt (082M086), River Jordan (082M001), Ruddock Creek (082M082-084), Big Ledge? (082LSE012), Colby? (082ESW062); Broken Hill and Pinnacles (New South Wales, Australia), Broken Hill and Black Mountain, Aggeneys district and Gammsberg area (South Africa), Knalla and Nygruvan, Bergslaggen district (Sweden).

GEOLOGICAL CHARACTERISTICS

CAPSULE DESCRIPTION:

Deposits comprise massive to semimassive galena, sphalerite, pyrrhotite and pyrite and/or magnetite layers or stacked lenses hosted by thin-bedded, commonly calcareous paragnesiss successions. A complex gangue mineralogy includes a variety of calcsilicate minerals. These stratabound deposits are typically thin, but laterally extensive and were deformed and metamorphosed together with their hostrocks.

TECTONIC SETTING:

Strongly deformed and metamorphosed supracrustal rocks commonly referred to as ‘mobile belts’ which probably originated in an intracratonic rift or possibly continental margin setting.

DEPOSITIONAL ENVIRONMENT / GEOLOGICAL SETTING:

Marine sediments and associated minor bimodal (?) Volcanics (often felsic, possibly alkalic) reflect active extensional tectonics. Host successions include inferred evaporites and are generally interpreted as shallow marine. Underlying gneissic successions suggest some deposits formed on or along margins of tectonic highs. However, intense deformation and metamorphism have commonly masked relationships.

AGE OF MINERALIZATION:

Commonly Lower and Middle Proterozoic; some British Columbia deposits may be hosted by Late Proterozoic to Cambrian rocks.

HOST / ASSOCIATED ROCK TYPES:

Hosted by thin-bedded calcareous schists, impure marble, quartzites and, less commonly, graphitic schists. A common and important host rock is garnet quartzite which occurs as envelopes to the sulphide bodies; associated with well layered and heterogeneous successions of quartzite, crystalline marble, quartzo-feldspathic gneiss, hornblende gneiss, and abundant pelitic and calcareous schist and gneiss; locally associated carbonatite and amphibolite. Banded iron formations, chert, gahnite, quartzites and tourmalinites are common in the host stratigraphic succession as distal facies or in footwall successions. Scapolite-rich units and sulphur isotopes suggest associated evaporites. Metamorphic grades vary from amphibolite to granulite.

DEPOSIT FORM:

Stacked sulphide on sulphide/magnetite lenses are common; they are thin, irregular, discontinuous, strongly deformed massive sulphide bodies. Thickening in fold hinges is often critical to make economic thickness. Individual lenses vary from less than a metre to tens of metres and may extend hundreds of metres often grading laterally into quartzite, quartz gahnite, garnet quartzite or pyrite/pyrrhotite disseminated units that may persist for tens of kilometers.

TEXTURE / STRUCTURE:

Mineralization occurs as discontinuous massive to semimassive sulphide lenses or as disseminated stratabound sulphides. Sulphides are massive to irregular banded, with locally coarse "skarn" textures; locally well-layered or laminated sulphides and silicates occur. They are commonly medium to coarse grained and intimately intergrown with gangue calcsilicate minerals, quartz or magnetite; as well, there are occasional thin monomineralic sulphide layers. Disseminated sulphides are common in granular marble. Pegmatite zones are present in some ore (mineralized) zones.

ORE MINERALOGY (Principal and subordinate):

Galena, sphalerite, galena, magnetite pyrrhotite pyrite; chalcopyrite, tetrahedrite, molybdenite arsenopyrite, löllingite. In some deposits, magnetite makes up more than 40% of the ore (mineralization). Some deposits display zoning from siliceous Zn-rich to distal carbonate-silicate Pb-Ag ore (mineralization).

GANGUE MINERALOGY:

Quartz, garnet, calcite, rhodonite, magnetite, siderite, pyroxenes and amphiboles, commonly manganiferous, fluorite, Mn olivine, apatite, gahnite, plagioclase, biotite, chlorite, ankarite, epidote, graphite, barite, hematite, wollastonite, sillimanite, staurolite, vesuvianite. The complex gangue mineralogy is characteristic of Broken Hill-type deposits.

ALTERATION MINERALOGY:

Original alteration assemblages are replaced by a complex variety of metamorphic minerals. Alteration envelopes and deposit zoning are common in larger deposits, but are generally not recognized in smaller ones. Footwall alteration pipes are generally not recognized, except for some of the Cu-rich deposits, which complicates their interpretation. Typically the alteration reflects enrichment of Fe, Si, Mn, Ca, P, F, K and CO3 and includes metamorphic silicates including amphiboles, olivine, biotite, phlogopite, sillimanite, orthoclase and clinozoisite as well as carbonates, fluorite and a variety of other minerals. Spessartine-quartz halos surround many deposits, with more regional silicification (quartz) and K (sillimanite) enrichment. In the Broken Hill area, Australia, with increasing intensity of mineralization, Fe-Si-Mn systems (typical of metamorphosed iron formations) are overprinted by extreme Ca-Mn-F enrichment with calcsilicate assemblages.

WEATHERING:

Large gossans are not common; however, pyrrhotite and pyrite in some deposits locally produce rusted outcrops. Some Australian deposits have deep weathered zones: gossanous quartz-garnet-gahnite rocks, with abundant Mn and Fe oxides (goethite and coronadite) and carbonates (dolomite, cerrusite, and smithsonite). Leached sulphides mark the transition into underlying sulphide ore (mineralization).

ORE CONTROLS:

Not well understood; deposits appear to be restricted to Proterozoic "mobile belts", generally interpreted to be intracratonic rifts. Oxidized shallow marine basins, possibly developed due to extensional faulting above basement highs, and associated bimodal (?) Volcanism are local controls.

GENETIC MODEL:

Difficult to interpret due to high metamorphic grades. A sedimentary exhalite origin, with sulphide deposition in rapidly deepening rifts, is preferred because the deposits are associated with iron formations, chert and Mn-rich iron oxide facies. This environment, dominated by oxidized facies, contrasts with reduced, anoxic basins that commonly host sedex deposits. However, associated bimodal volcanics, ore (mineralization) and gangue chemistry and sulphide textures suggest similarities with volcanogenic massive sulphide deposition. Some workers have supported replacement models for the mineralization.

ASSOCIATED DEPOSIT TYPES:

Sedimentary exhalitave deposits ..., carbonatites ..., nepheline syenites, polymetallic veins ... and W-Mo veins.

Exploration

Summary of the Current (2012) Exploration Program Conducted by the Author and the Corporation in the Colby Mines Property-area

On January 19, 2012, the Author was commissioned to find as much of the unpublished exploration records from the Property as possible and to produce a comprehensive history of work in the Property area. Also, he conducted a sampling program of mineralized rock exposures on June 11, 15, 21, and 22, 2012.

The current (2012) exploration program is the only exploration that the Corporation has conducted in the Colby Mines Property-area.

Procedures and Parameters of the Current (2012) Exploration Program

Airborne Geophysical Surveys

A total of 205.3 line-km (125.2 lin-mi) of airborne magnetic and electromagnetic survey covering an area of 22.59 km2 (8.41 mi2) was flown over all of the claims except the COLBY JACK (978013) claim (see Figures 22 and 23). Lines spaced 100 m (328 ft) apart and oriented at 145°-325° were flown from northwest to southeast. Perpendicular tie lines oriented at 055°-235° were spaced 1,000 m (3,280 ft) apart.

Prospecting and Examinations of Mineralization

A total of 33.0 km (20.1 mi) of road and trail was prospected with varying degrees of intensity throughout the Property-area. An estimated 33 hectares (81.5 acres) of area was prospected assuming an average investigation of a 10-m width from the centre line of a road or trail. Prospecting was conducted primarily to locate various workings and other features recorded in previous reports and other documents. Standard prospecting methods were employed.

The Author examined an estimated 0.6 ha (1.48 A) of workings at the Mile 12 and Cominco zones, and at Chisholm's Zones 1 to 5 of the Central zone (Figures 4E, 4W, and 24 to 29). Station locations were established using Garmin XL12 and XL60 GPS units; structural measurements were taken with a Brunton Compass.

A total of 26 rock samples (Table 8 above) were analyzed at ALS Chemex in Kamloops, B.C. by an induced coupled plasma (ICP) technique. Over-limit metal concentrations were re-analyzed by atomic absorption and fire assay.

Sampling Method and Approach

The 26 samples of mineralization (Table 8 above) taken by the Author comprised composite chip and composite grab samples that were taken to establish the character and general tenor of sulphide

mineralization at various workings throughout the Property-area. The Author considers his sampling density to be appropriate at the current stage of exploration.

During the 1970s, Zones 'A' and 'B' of the Central zone on the current COLBY MINES (544490) claim were well explored. Most of the Property-area has received very little detailed exploration. At the current stage of exploration, new targets are being investigated. Knowledge regarding details of thickness and mineral tenor are insufficiently defined across the Property-area to justify the detailed sampling protocols that are normally employed to convert indicated and measured resources into reserves. The Author considered such protocols as the taking of multiple samples and conducting analysis at several laboratories to be an unjustified at the current stage of exploration on the Colby Mines Property.

There is significant variation among the Author's rock-sample results. The Author opines that this variance is due to low sample density and local variations in mineral concentration that are largely unexposed. As targets are developed and a greater amount of mineralization is exposed and sampled, the population of samples will increase and more closely reflect the distribution and tenor of sulphide mineralization in those areas. Also, it should be remembered that the current stage of exploration, a few high assay results from a few small mineral showings are of little importance compared with the task of locating the thickest and richest accumulations of massive sulphide mineralization throughout the Property-area.

Results and Interpretation of the Current (2012) Exploration Program

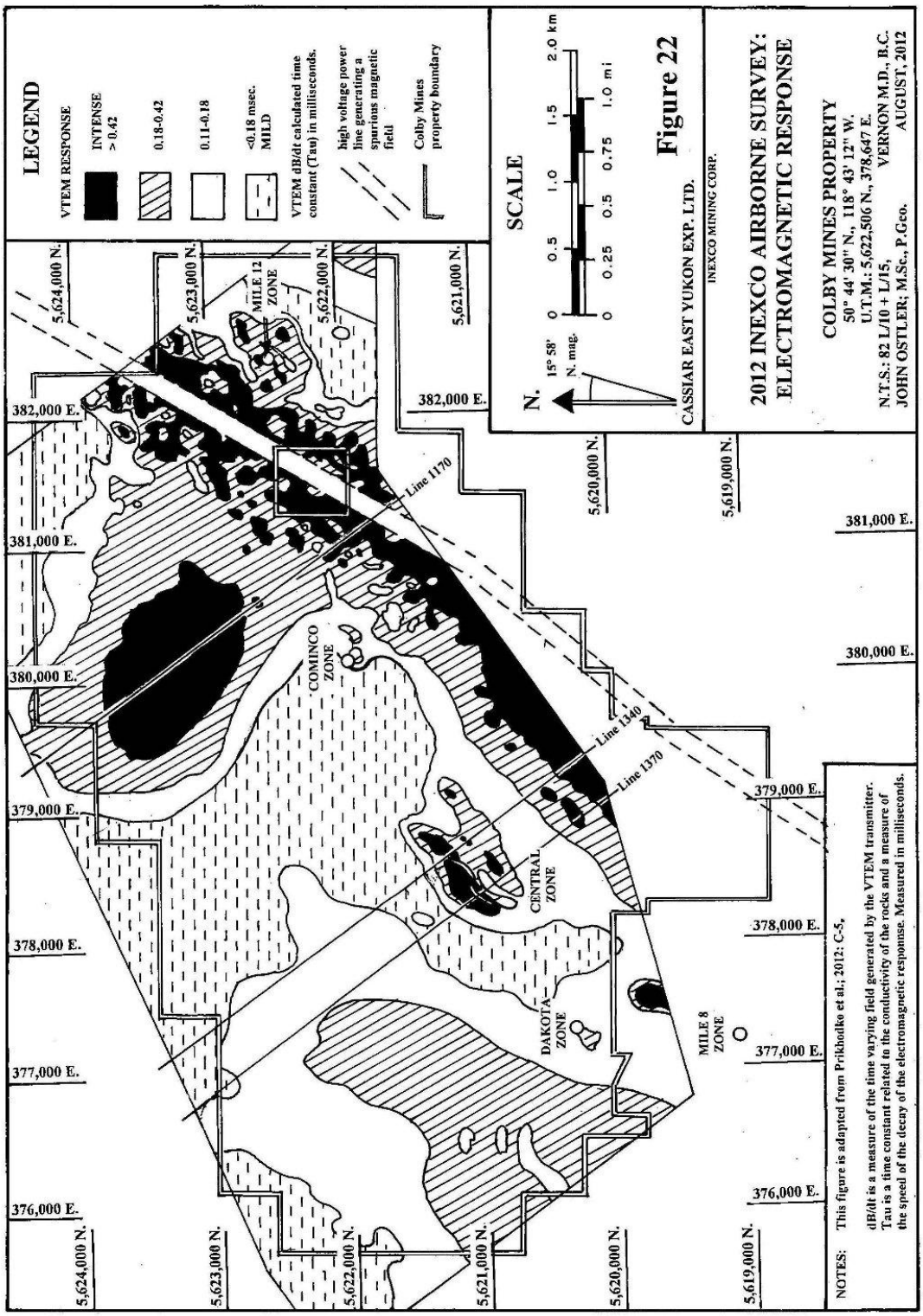
Airborne Geophysical Surveys

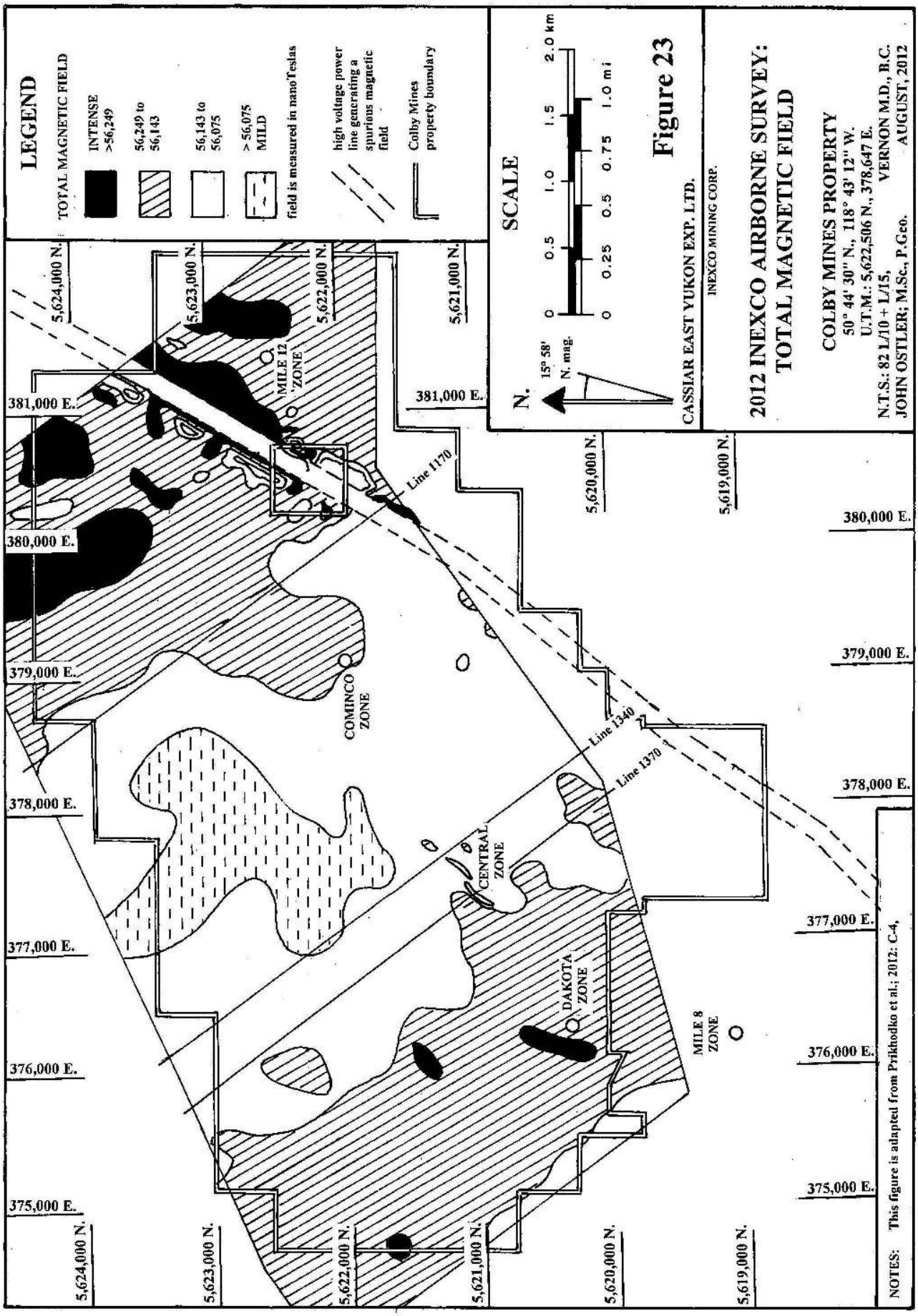
A. Prikhodko et al. (2012) presented their conclusions regarding the data from the 2012 airborne magnetic and electromagnetic surveys as follows:

> ... Based on the geophysical results obtained, a number of TEM anomalies are identified across the property. In general, these conductive zones and EM anomalies correspond to lithological broad objects and local targets strongly associated with magnetic dyke similar anomalies as observed in the Time-constant (Tau) image presented with the calculated vertical magnetic gradient (Gvt) contours.
>
> The local conductive targets are presented in the RIDS of L1340 and L1371 (Figures 22 and 23). The approximate depths to tops of the targets is around 50 metres (164 ft).
>
> One of the lithological conductors is presented in R.I. section for L1170 (Figures 22 and 23).
>
> A power line is identified toward the south-eastern part of the property. Caution is recommended during further interpretation; as such cultural components might affect the geological response inherent in the data.
>
> We recommend a detailed interpretation of the available geophysical data, in conjunction with the geology. It will include resistivity depth imaging of more surveyed lines and Maxwell modeling for the local conductors prior to ground follow up and more drill testing.
>
> Prikhodko, Alexander, Ora, Marta
> and Venter, Nick; 2012: p. 17.

The current (2012) airborne magnetic survey provides an intermediate-level view of the total magnetic field across the Property (Figure 23). It is more detailed than the results of the regional aeromagnetic survey and displays larger scale features than do the ground magnetic surveys conducted by Cominco in 1964, by Colby Mines in 1973, and by Union Oil in 1976.

Both the regional and current airborne magnetic survey results indicate the presence of a significant magnetic "low" north of the Central zone and northwest of the Cominco zone in the northwestern part of the Property-area (Figure 23). Previous geological mapping indicates that this "low" was the result of the emplacement of a metamorphic plume related to the Cretaceous-age Shuswap metamorphic complex resulting in the conversion of rocks to granulite-grade gneiss and migmatite. Probably, migration of fluids carrying sulphide minerals away from the plume is the direct cause of the magnetic "low".




LEGEND
TOTAL MAGNETIC FIELD
INTENSE >56,249
56,249 to 56,143
56,143 to 56,075
> 56,075 MILD
field is measured in nanoTeslas
high voltage power line generating a spurious magnetic field
Colby Mines property boundary
SCALE
0 0.5 1.0 1.5 2.0 km
0 0.25 0.5 0.75 1.0 mi
N.
15° 58' N. mag.
Figure 23
CASSIAR EAST YUKON EXP. LTD.
INEXCO MINING CORP.
2012 INEXCO AIRBORNE SURVEY:
TOTAL MAGNETIC FIELD
COLBY MINES PROPERTY
50° 44' 30" N., 118° 43' 12" W.
U.T.M.: 5,622,506 N., 378,647 E.
N.T.S.: 82 L/10 + L/15, VERNON M.D., B.C.
JOHN OSTLER; M.Sc., P.Geo. AUGUST, 2012
MILE 12 ZONE
COMINCO ZONE
CENTRAL ZONE
DAKOTA ZONE
MILE 8 ZONE
Line 1170
Line 1340
Line 1370
381,000 E.
380,000 E.
379,000 E.
378,000 E.
377,000 E.
376,000 E.
375,000 E.
5,624,000 N.
5,623,000 N.
5,622,000 N.
5,621,000 N.
5,620,000 N.
5,619,000 N.
NOTES: This figure is adapted from Prikhodko et al.; 2012: C-4,

The general pattern of low magnetism across the central part of the Property-area is disturbed by a partial band of higher magnetism related to the stratigraphy hosting the Central and Cominco zones. This may be due to partial flushing of magnetic sulphide minerals from the rocks adjacent to mineralization in and between those zones.

The area of low total magnetic field intensity in the central part of the Property-area is flanked to the northeast and southwest by areas where the rocks are much more magnetic, and presumably more pyrrhotite-rich. Of particular interest are the area extending from the Mile 8 zone on the TXX-Kingfisher property northwestward through the Dakota zone to north of Kingfisher Creek on the south-central part of the COLBY STAR (854163) claim, and the area extending northwestward from the Mile 12 zone to the northern property boundary. The presence of sulphide mineralization near the Dakota zone is indicated by previous soil survey in that area. There is a mild increase in the total magnetic field in that area. The presence of sulphide mineralization north of the Mile 12 zone is indicated by a previous ground magnetic survey (Figure 8) which is confirmed by a magnetic anomaly generated by the current (2012) airborne survey. A significant ground-magnetic anomaly from the 1964 Cominco survey occurs in the northeastern part of the property coincident with the largest magnetic anomaly in that area generated by the current (2012) survey (Figure 23).

The pattern of electromagnetic responses across the current (2012) survey-area confirms that of the magnetic data (Figures 22 and 23). The pattern of electromagnetic response across the magnetic "low" is essentially flat, as could be expected. Between the area of the magnetic "low" and the more highly magnetic rocks in the northeastern part of the Property-area is an intense electromagnetic anomaly which indicates an area of rapid change in magnetic field strength. The power line generates a complex pattern of electromagnetic responses that effectively mask those of the current (2012) survey along the power line right of way. There is a distinct pattern of electromagnetic response related to the Mile 12 zone which is cut-off by disturbance by the power line on its northwestern side. Mineralization of the Central zone is clearly illustrated by the electromagnetic response in that area. As well, the two mineralized zones discovered during 1974 in "pure marble" southeast of the drilling area are accompanied by electromagnetic responses. There is an intense electromagnetic response located along the southeastern boundary of the current (2012) survey-area that crosses the power line at a low angle. This rapid change in the local magnetic field may indicate either the presence of magnetic rocks just south of the survey area or the presence of a "wet" fault structure beneath the swamps of Danforth Creek.

Prospecting, and Examinations of Mineralization

Prospecting during the current (2012) exploration program resulted in the location and identification of workings in the major mineralized zones in the Property-area, which greatly facilitated examination and sampling of them.

The Author examined and sampled mineral showings in the Mile 12, Cominco and Central zones.

The showings of the Mile 12 zone are hosted by a single trench located on the eastern side of the old Kingfisher-Three Valley road on the 12 MILE (692043) claim. The trench appears to have been subjected to several blasts and bulldozer pushes that occurred at different times, possibly accounting for its complex profile.

The host rock is marble containing about 60% white calcite and 40% light green diopside. Throughout the marble are rusty weathering bands of pyrrhotite that weather to hematite and orange limonite, sphalerite that weathers to purple limonite, and traces of galena. Samples CM1-1 to CM1-3 were taken from bands of massive and heavily disseminated pyrrhotite-sphalerite mineralization. Concentrations of lead, zinc, and silver in those three samples range from 0.830% lead, 10.15% zinc, and 5.88 gm/mt (0.172 oz/ton) silver in sample CM1-1 to 0.280% lead, 4.61% zinc, and 1.35 gm/mt (0.039 oz/ton) silver in sample CM1-3. Sample CM1-4 was a composite grab and chip sample of the rock debris occurring across the trench floor. It contained 0.256% lead, 2.64% zinc, and 0.89 gm/mt (0.026 oz/ton) silver, which the Author assumes is close to the average tenor of mineralization in the area of the trench.

Three bulldozer trenches and a blast pit located in the northern part of the (no name) (837392) claim comprise the Cominco-zone workings. Chips from a boulder beside the most southerly trench, sample CM2-1, contains 0.0030% lead, 1.28% zinc, and 0.68 gm/mt (0.019 oz/ton) silver. There is no outcrop in the floor of the trench; the author assumes that outcrop was not encountered there.

The main Cominco bulldozer trench and the blast pit were excavated into the western and southeastern sides respectively of a rock knob. There, the host rock is calc-silicate schist that originally was a series of calcareous greywacke beds. Pyrrhotite-sphalerite mineralization is concentrated in the upper pelitic turbidite 'E' units of the graded beds. This resulted in thin bands of massive to heavily disseminated mineralization from 2 to 25 cm (0.8 to 10 inches) thick separated by broader intervals of very sparsely disseminated mineralization. Four samples, CM3-7.9m, CM3-9.8m, CM4-1, and CM4-2, were taken from turbidite 'E' units. They ranged from sample CM4-1 which contained 0.187% lead, 3.06% zinc, and 2.37 gm/mt (0.069 oz/ton) silver, to sample CM4-2 which contained 0.394% lead, 0.663% zinc, and 1.20 gm/mt (0.035 oz/ton) silver. The two composite chip samples taken from all of the material in the two trenches contained: in sample CM3-6.0-17.0m 0.060% lead, 0.946% zinc, and 0.56 gm/mt (0.016 oz/ton) silver, and in sample CM4-3 0.005% lead, 0.459% zinc, and 0.53 gm/mt (0.015 oz/ton) silver. The Author assumes that the average tenor of mineralization in the rock knob is similar to the average of these two samples. Another bulldozer trench, located south of the rock knob, uncovered little outcrop and no significant mineralization.

E.O. Chisholm (1973) examined six areas of mineralization that had been stripped at that time in the Central zone, located on the current COLBY MINES (544490) and COLBY EAST (692083) claims. He provided a general map of all of the zones and plans of the workings of his zones 1, 5, and 6. The results of his sampling are in Table 5. Presently, zones 1 and 4 closely resemble their forms when E.O. Chisholm sampled them in 1973. Zones 2, 3, and 5 have been blown apart subsequent to Chisholm's examination of them. They no longer resemble the workings that Chisholm sampled in 1973. The Author could not positively identify Chisholm's zone 6.

Zone 1 occupies a prominent north-northeasterly trending nose on a generally southeasterly facing slope. Its resistance to weathering seems to be due to a high quartz content in the gangue associated with pyrrhotite-sphalerite +/- galena mineralization. Mineralization occurs in lenses of massive and heavily disseminated sulphides in a quartz-orthoclase gangue hosted in sparsely mineralized calc-silicate gneiss and marble.

The Author sampled several cuts across the stripped outcrop in the hope of repeating Chisholm's 1973 sampling. Chisholm's sampling locations could not be identified with certainty on the ground, and the Author's sample-metal concentrations differed significantly from those of the earlier sampling (Tables 5 and 8). The seven samples that the Author collected from zone 1 contained an average of 0.185% lead, 0.739% zinc, and 0.38 gm/mt (0.011 oz/ton) silver.

Chisholm's zone 2 was developed by a bulldozed trench located atop a bluff of marble and calc-silicate gneiss located just west of the camp area. A 1.5-m (4.92-ft) thick band of massive and heavily disseminated pyrrhotite-sphalerite-galena mineralization is exposed in the back wall of the trench.

The Author sampled it at two locations. The average metal concentrations of the two samples are 5.88% lead, 9.91% zinc, and 4.80 gm/mt (0.139 oz/ton) silver. The comparitively high lead and silver concentrations in these samples seems to be related to the relative abundance of galena in the mineralization at this location.

Chisholm's zone 3 is located northeast of the camp-area. Currently, the showings-area is covered by an extensive bulldozer trench. A small outcrop containing a 1-m (3.05-ft) thick segregation of lean pyrrhotite-sphalerite mineralization is exposed at the eastern margin of the trench. The showings in the back wall area of the trench has been blasted into heaps of large variously mineralized blocks. A 2.5-m (8.20-ft) thick zone of massive and heavily disseminated pyrrhotite-sphalerite-galena mineralization occurs in calc-silicate gneiss and marble in outcrop down hill from the western edge of the trench. Of the

three samples taken from this working, sample CM8-2, probably most represents the tenor of the mineralized zone in this area. It is a composite chip sample taken from the blocks in the northern part of the trench that contains 2.54% lead, 5.11% zinc, and 1.43 gm/mt (0.042 oz/ton) silver (Table 8).

Chisholm's zone 4 is located on a resistant siliceous knob that is variously mineralized with pyrrhotite and sphalerite with traces of galena. The stripped outcrop on the knob is mostly moss-covered now. The Author's sample from zone 4, CM9-1, was a composite grab sample of rock across the knob that could be broken off it. That sample contained 0.230% lead, 1.365% zinc, and 0.99 gm/mt (0.029 oz/ton) silver. Chisholm's zone 5 workings are hosted by calc-silicate gneiss and marble, sparsely mineralized with pyrrhotite and sphalerite. Subsequent blasting has masked the 1973 sample sites. The Author's sample from this working, CM10-1, was a composite grab sample taken from blocks excavated from a trench cut across the main outcrop. It contained 0.003% lead, 0.078% zinc, and 0.24 gm/mt (0.007 oz/ton) silver.

The cost of the current (2012) exploration program was: $111,726.48 + $13,274.78 H.S.T. = $125,000.86 (Ostler, 2012). All of the current (2012) exploration was funded by the Corporation.

Drilling

No drilling was conducted during the current (2012) exploration program.

Sample Preparation, Analysis and Security

No aspect of sample preparation of samples from the current (2012) exploration program was conducted by and employee, officer, director, or associate of the Corporation.

A total of 26 samples of mineralization (Table 8) were taken by the Author and locked in plastic bags that were kept under the Author's exclusive control until they were delivered to ALS Canada Ltd. in Kamloops, B.C. There, they were dried, weighed, then crushed until 70% of their mass would pass through a < 2 mm screen. Crushed samples were split in a riffle splitter, then pulverized so that 85% of it passed through a 75-um screen. Sample splits were analyzed using ALS Chemex Code ME-ICP61 analysis: 15-gram samples were digested in 90 ml of aqua regia at 95^{o} C. for 1 hour, diluted to 300 ml, and analyzed for 49 elements using Induced Coupled Plasma (ICP) method ME-MS61 and Atomic Emission Spectrometry (ICP-AES) method (ALS Chemex Code OG62). Samples with over-limit metal concentrations were subjected to four-acid digestion and re-analyzed by atomic absorption and fire assay: Pb-AA62, and Zn-AA62.

The A.L.S. lab did not report periodic re-analyses or comparisons with standards in the certificates of assay and analysis.

The samples were analyzed at the ALS Chemex laboratory at 2,953 Shuswap Road, Kamloops, British Columbia, the Minerals Division of the ALS Laboratory Group. ALS Chemex is accredited under ISO 9001:2000 (No. 0007629) and ISO 17,025. It is independent of the Corporation, as defined in Part 1.5 of National Instrument 43-101. The Author is confident that the samples from the current (2012) exploration program have been processed at that laboratory in a proper and secure manner, and that the results of the analyses of those samples as reported by ALS (Canada) Ltd. are true and accurate.

All of the sampling of the current (2012) exploration program was personally conducted by the Author. The goal of that program was to establish the location of mineralization and its relation to stratigraphy and not the conversion of mineral resources into reserves. The Author has confidence in the current (2012) data and is of the opinion that collecting and analyzing it once is adequate.

Data Verification

The Author assembled a comprehensive history of exploration from both published and unpublished documents and personally examined and sampled workings during the current (2012) exploration on the

Colby Mines Property and, subsequently, filed the results of all of the current (2012) program in a recent assessment report (Ostler, 2012). The Author has confidence that the results of the current 2012 exploration program are reliable.

The current (2012) exploration program was designed to bring all the results of previous exploration into a single context that could be used to identify undeveloped mineral potential of the Colby Mines Property. That program succeeded, and consequently, the current data from the Property is adequate to support the Author's recommendations in this Technical Report.

All available data from both the current (2012) and past exploration programs has been reviewed by the Author who is the Qualified Person for the Colby Mines project.

Some of the historic exploration results were not filed for assessment credit and thus were not entered into the public record. Fortunately, some of those results survived in the files of Discovery Consultants Ltd. of Vernon, British Columbia.

Trenching

There is mention in the published literature of at least five separate hand and bulldozer trenching programs that were conducted in the Property-area from 1964 to 1974 by Sheep Creek Mines Ltd., Dakota Silver Mines Ltd., the Bright Star Trio syndicate, and Colby Mines Ltd. None of the details of any of those trenching programs are known to the Author.

Drilling

From 1964 to 1969, five drill programs were conducted in the current Colby Mines Property-area. In 1964, Sheep Creek Mines Ltd. drilled 6 holes in the Central zone and Cominco drilled 4 holes in the Cominco zone. In 1965, Dakota Silver Mines Ltd. drilled 2 holes in the Dakota zone. From 1968 to 1969, the Bright Star Trio syndicate drilled 11 holes, presumably all in the Central zone. The Author knows of no records or core from those drill programs. The results of that drilling could not be verified.

From November 12, 1973 to March 2, 1974, Colby Mines Ltd. drilled 25 holes, using a PBS-1 drill. A total of 1,708.1 m (5,604 feet) of AQ core was recovered. Drilling commenced in the northeastern part of the 1973 grid on Chisholm's zones 2 to 6 in the Central zone and spread both east-northeast across the 1974 grid-area and south-southwest to Chisholm's zone 1.

Although the drill logs from the 1973-1974 drill program were filed for assessment credit (Gilmour, 1974), no sections were filed. The Author found those sections in the property file of Discovery Consultants Ltd. of Vernon, B.C. They have been included in the Author's recent assessment report in order to put them into the public record (Ostler, 2012). The footings and a pile of broken core are all that remain of the 1973-4 core racks in the camp area at the Central zone. The Author knows of no intact core from these drill programs. The results of the 1973-4 drilling could not be verified.

In 1976, Union Oil Company of Canada Limited commissioned Apex Drilling of Salmon Arm, B.C. to conduct a total of 1135.4 m (3,725 ft) of AQ core drilling. Holes 76-01 to 76-24 were drilled into the northeastern part of the Central zone.

The drill logs for the following drill holes were filed for assessment credit (Daughtry, K.L. et al., 1977): 76-1, 76-2, 76-3, 76-4, 76-14, 76-19, part of 76-21, 76-22, 76-23, and 76-24. The Author found drill sections for holes 76-1 to 76-7 and 76-10 in the property file of Discovery Consultants Ltd. (Ostler, 2012). No assay certificates or core from that drilling are known to the Author. The results of the 1976 drilling could not be verified.

Correspondence between K.L. Daughtry and representatives of Union Oil, and an account in Geology in British Columbia 1977 (Höy, 1977) indicate that during 1977, a total of 7 holes were drilled which

resulted in the production of 818 m (2,683.7 ft) of BQ core. Drill hole 77-2 was located south of historic resource zone 'A'. Minor lead-zinc mineralization was intersected in several parts of the hole. Only a drill log and a location map were filed by T.J.R. Godfrey (1977) for assessment credit. The results of the other holes from the 1977 drilling and any results of analyses are not known to the Author. No core that program is known by the Author to exist. The results of the 1977 drilling could not be verified.

Geological Mapping

In 1964, Cominco conducted 1:1,000-scale geological mapping over a 15.2 km2 (5.7 mi2) area that covered both the Kingfisher and Bright Star properties as well as the area that would become known as the Dakota showings (Gifford and Richardson, 1964A). Also, a total of 65 ha (160.6 A) and 97.5 ha (234.7 A) were mapped at a scale of 1:100 in the Cominco and Mile 12 zones respectively (Gifford and Richardson, 1964A).

In his summary of work, Trigve Höy (1977) noted the following geological mapping conducted by Colby Mines Ltd.: (1973) 2.9 line-miles (4.7 line-km); surface geological mapping, 1 inch equals 100 feet and 50 feet, (1974) an unspecified area of surface geological mapping, 1 inch equals 100 feet.

Although no original reports of the 1973-4 Colby Mines mapping are known to the writer, subsequent reports presumably of that work were published by Trigve Höy (1977). His property-scale map was in concordance with Cominco's 1964 mapping. Geological mapping in the central zone recorded more detail consistent with the previous 1964 Cominco mapping in that area.

The concordance of the 1964 Cominco mapping with that published by Trigve Höy (1977) supports the Author's confidence in that mapping. The Author verified the mapping in the workings areas that he examined.

Soil Surveys

David Smith (1970) reported that the Bright Star Trio syndicate conducted soil surveys on the Bright Star Trio, Golden West and Star grids, collecting 1,000 soil samples from those grids. Although the magnetic surveys on those grids were filed for assessment, no record of those soil surveys is known to the Author. They could not be verified.

Trigve Höy (1975) reported that in 1974 Colby Mines Ltd. conducted a soil survey over a grid with line spacings of 100 ft (30.5m) that covered in excess of 6.8 line-miles (10.9 line-km) in the Central zone and on grids in three other areas in the northern and souther parts of the 1974-era property.

Although no original reports of the 1974 Colby Mines geochemical surveys are known to the Author, subsequent reports presumably of some of that work were published by Trigve Höy (1977). Soil-zinc results, presumably from the 1974 survey in the Central zone contained a distinct anomaly in the northwestern part of the grid-area in the area that hosted Chisholm's zones 2 to 6. Also, two grids that extended from the Mile 8 zone to the Dakota zone are presumed by the author to have been constructed by Colby Mines in 1974. Those grids covered a combined area of 48 ha (118.56 A). Soil-zinc results indicate that a north-south trending zone of zinc-enriched soils extends northward from the Mile 8 zone onto the current property-area and is located about 330 m (1,082 ft) east of the Dakota zone.

The results of those soil surveys have not been verified during the current (2012) exploration program.

Magnetic and Electromagnetic Surveys

The current (2012) airborne magnetic survey provided an intermediate-level view of the total magnetic field and electromagnetic response across the property (Figures 22 and 23). The results of these surveys are more detailed than those of the regional aeromagnetic survey and display larger scale features than do

the ground magnetic surveys conducted by Cominco in 1964, by Colby Mines in 1973, and by Union Oil in 1976.

The Author has neither the helicopter support, nor the computing power, nor the expertise to verify the results of the current (2012) airborne geophysical surveys. The writer relied on Alexander Prokhodko, P.Geo. and his staff at Geotech Ltd. regarding the results of the current (2012) airborne magnetic and electromagnetic surveys.

In 1964, Cominco conducted a ground magnetic survey over a 5 km2 (1.9 mi2) area in the eastern part of the current Colby Mines Property-area (Gifford and Richardson, 1964B) (Figures 4E, 4W, and 6). The extensive ground-magnetic anomaly located in the northern part of the COLBY KING (854164) claim in the northeastern part of the current property-area was confirmed by magnetic anomalies from the current (2012) airborne survey. These magnetic anomalies are flanked to the west by an intense electromagnetic response indicating an abrupt change in the local magnetic field in that area.

The Bright Star Trio syndicate commissioned Alrae Engineering Ltd. of Vancouver, B.C. to conduct magnetic surveys in three areas: north of the Mile 8 zone and south of the current FX- ZONE (692004) claim (named the Golden West grid-area), along the southeastern margin of the Central zone on the current COLBY MINES (544490) and COLBY EAST (692083) claims (named the Star grid-area), and around the Mile 12 zone on a grid centred on the current 12 MILE (692043) claim (named the Bright Star Trio grid-area) (Jury, 1970). A north-south trending series of ground-magnetic anomalies extended from south of the Mile 12 zone, through that zone to the north-central part of the BLACK JACK COLBY (864827) claim. The northern part of this group of anomalies is confirmed by an intense aeromagnetic anomaly revealed by the current (2012) airborne survey.

From September 8 to 21, 1973, P.P. Nielsen (1974) conducted topographic and magnetic surveys in the 1973 main grid area. Chisholm's zones 1 and 6 corresponded with "lows" in the vertical magnetic field. Zones 2, 3, and 5 corresponded with magnetic "highs", and zone 4 was accompanied by a very subtle magnetic response.

The northern part of the 1973 main grid containing Chisholm's zones 2 to 6 was considered to be the most prospective area by Colby Mines. From November 2 to 7, 1973, P.P. Nielsen (1974) conducted a horizontal loop "shootback" electromagnetic survey over a grid that straddled the northern part of the 1973 main grid. The 1973 EM grid was centred on a 701-m (2,300-ft) long base line that was oriented at 055° lines were extended for 91.4 m (300 ft) at 90° from each side of the base line. Lines 1W and 0 were extended another 91.4 m (300 ft) to the southeast. The 1973 EM grid covered an area of 13.1 ha (32.36 A).

Four conductive zones were found in the 1973 EM grid area.

P.P. Nielsen (1977) conducted a ground-magnetic survey in the area of the 1976 drilling from October 20 to 30, 1976 in order to assist in spotting drill holes. A total of 5,670 m (18,602.4 ft) of line in the 1973 electromagnetic grid was re-cut and surveyed for vertical magnetic field. Readings were taken at 7.6-m (25-ft) intervals along lines spaced 30.5 m (100 ft) apart. Intermediate stations were spaced at 3.8-m (12.5-ft) and 1.9-m (6.25-ft) intervals in areas with steep magnetic gradients. Nielsen returned to the Property from December 4 to 6, 1976 to survey 1,418 m (4,652.2 ft) of the grid for total magnetic field. Details of the total magnetic field around the central zone are masked by larger-scale features in the results of the current (2012) airborne survey. However, the drilling area in which most of the 1973-6 magnetic and electromagnetic surveys were conducted hosted a distinct electromagnetic response in the results of the current (2012) airborne survey. Also in the current survey electromagnetic results are two anomalies southeast of the main drilling area which are reported to have been trenched in 1975 resulting in the discovery of massive sulphide occurrences in "pure marble" (Hőy, 1977).

Many of the results of the electromagnetic and magnetic survey conducted in the Property-area are mutually confirmatory and contribute to their verification.

Sampling

In 1973, E.O. Chisholm sampled 6 zones in the Central zone (Table 5). During the current (2012) exploration program, the Author examined and sampled Chisholm's zone 1 on the COLBY EAST (692083) claim and zones 2 to 5 on the COLBY MINES (544490) claim (Table 8). Currently, Chisholms zones 1 and 4 resemble their configurations in 1973. Zones 2, 3, and 5 have been blown apart since Chisholm's 1973 inspection. Several cuts across the stripped outcrop at Chisholm's Zone 1 appeared to the author from his diagrams (Chisholm, 1973) to be his sample sites. The cuts were sampled. The author's sample results did not closely resemble those of E.O. Chisholm (Tables 5 and 8); his sampling could not be verified.

During 1973, E.O. Chisholm also examined the Dakota zone located on the current FX- ZONE (692004) claim. He opined that mineralization at that zone was similar geologically and mineralogically to that of the Central zone. The Author did not examine the Dakota zone and cannot verify Chisholm's opinion.

There are reports of two small shipments of mineralization from the Central zone : in 1964 and in 1976. Tom Carpenter (2001) sampled 12 205-L (45-imp gal) drums of concentrate located beside the footings of the drill core rack in the camp area on the COLBY MINES (544490) claim. His 6 samples from the drums (KF 01 to 06) contained an average of: 99 ppm copper, 5.44% lead, 9.16 % zinc, and 3.6 gm/mt (0.105 oz/ton) silver. The Author's sample CM6-CON of 7 of the 12 drums that were still in good enough condition to sample contained: 67.0 ppm copper, 6.17% lead, 0.931% zinc, and 3.83 gm/mt (0.105 oz/ton) silver. The results of the Author's sampling of that concentrate confirm those of Tom Carpenter with the exception of that for zinc. Most of the zinc may have leached from the concentrate near the tops of the drums during the 11 years between the taking of Carpenter's and the Author's samples.

Mineral Processing and Metallurgical Testing

To the knowledge of the Author, no mineral processing studies or metallurgical tests have been conducted on mineralization from the Colby Mines Property-area for base or precious metals.

Mineral Resource Estimates

To the knowledge of the Author, no resource estimates have been calculated of mineralization within the Colby Mines Property-area.

Adjacent Properties

No development on any adjacent property is indicative of the mineralization on, or affects the potential of the Colby Mines Property.

Other Relevant Data and Information

There are no unusual or unique circumstances or facts affecting the ownership, or potential to develop the Colby Mines Property.

Interpretation and Conclusions

The goal of the current (2012) exploration program was to assemble and synthesize all available data with input from helicopter-borne magnetic and electromagnetic surveys. The current program was successful in putting previously explored mineralization in the Central zone into a property-scale context and to identify three under-explored targets on the Property, each of which is more extensive than the Central zone.

Results of the current airborne magnetic survey provide an intermediate-level view of magnetic features across the Property, being more detailed than the regional aeromagnetic survey, while displaying larger scale features than did previous ground magnetic surveys. It confirmed the results of those previous ground magnetic and electromagnetic surveys conducted in various areas within the Property-area.

Both the regional and current airborne magnetic survey results indicate the presence of a significant magnetic "low" north of the Central zone and northwest of the Cominco zone in the northwestern part of the Property-area. Previous geological mapping indicates that this "low" was the result of the emplacement of a metamorphic plume related to the Cretaceous-age Shuswap metamorphic complex. Probably, migration of fluids carrying sulphide minerals away from the plume is the direct cause of the magnetic "low".

The area of low total magnetic field intensity in the central part of the Property-area is flanked to the northeast and southwest by areas where the rocks are much more magnetic, and presumably contain higher concentrations of pyrrhotite-sphalerite +/- galena mineralization. It has was known since the 1960s that sphalerite-galena mineralization in the Colby Mines Property-area was closely associated with highly magnetic pyrrhotite.

The three most prospective targets on the Property are the area extending northwestward from the Mile 12 zone to the north-central part of the BLACK JACK COLBY (864827) claim, in the northern part of the COLBY KING (854164) claim, and the area extending from the Mile 8 zone on the TXX-Kingfisher property northwestward through the Dakota zone to north of Kingfisher Creek on the south-central part of the COLBY STAR (854163) claim.

The presence of sulphide mineralization northwest of the Mile 12 zone may be indicated by a series of ground-magnetic anomalies generated by the 1969 Bright Star Trio survey and confirmed by a magnetic anomaly generated by the current (2012) airborne magnetic survey. Mineralization in the northern part of the COLBY KING (854164) may be indicated by extensive coincident magnetic anomalies from the 1964 Cominco and current (2012) airborne surveys as well as being flanked by an intense electromagnetic response. The prospective area in the southwestern part of the Property-area coincides with a mild magnetic high with mild electromagnetic anomalies as defined by the current (2012) survey results. However, the presence of extensive soil anomalies near the Dakota sone may indicate the presence of sulphide mineralization across the FX- ZONE (692004) and adjacent claims.

Both geophysical and soil geochemical surveys are remote techniques that measure properties that may or may not relate directly to mineralization. Anomalies generated by those surveys cannot be used to predict a specific quantity or tenor of mineralization. Thus, they are considered to be remote, early stage techniques that are normally used to locate the existence of mineralization. The conclusions of this report are based on evidence generated by these remote techniques and carry the risks intrinsic to relying on them.

Recommendations

A first-phase program of geological examination, prospecting, and local soil surveys to test for covered extensions of mineralization is recommended. Focus should be on: the Mile 12 zone workings and covering the 12 MILE (692043) claim and parts of adjacent claims, the current (2012) airborne surveys and the 1964 Cominco ground magnetic anomalies in the central part of the COLBY KING (854164) claim, and from the COLBY TRIO (864847) and FX- ZONE (692004) claims, through the Dakota zone and east of the Central zone onto the F-X ZINC (544492) and adjacent claims.

If reasonable encouragement is generated by the results of the recommended first-phase program, then a second phase of work comprising soil and ground magnetic surveys is recommended. Three 1-km2 (0.37-mi2) grids, each comprising 11 1-km (0.61-mi) long lines should be established in the three previously mentioned prospective areas. The grids should have east-west trending lines spaced 100 m

(328 ft) apart. Soil samples should be taken at 50-m (164-ft) intervals and magnetic measurements should be taken at 25-m (82-ft) intervals along the grid lines.

Estimated costs for the recommended first-phase program are set out in Table 10 and the estimated costs for the second-phase program are listed in Table 11.

Estimated Costs

The estimated budget for the recommended program of work is as follows:

Table 10
Estimated Cost of the Recommended First-phase Exploration Program

Item	Cost	Accumulated cost
Wages:		
1 geologist: field work; 24 days @ $600/day	$ 14,400	
research and reporting; 14 days @ $600/day	$ 8,400	
1 prospector; 24 days @ $350/day	$ 8.400	
	$ 31,200	$ 31,200
Transport:		
1 4X4 pick-up truck; 24 days @ $150/day	$ 3,600	
Gasoline and camp fuel	$ 1,400	
	$ 5,000	$ 5,000
Camp and Crew Costs:		
Hotel: 4 man-nights @ $ 100/man-night	$ 400	
Meals in transit: 4 man-days @ $50/man-day	$ 200	
Camp food: 44 man-days @ $30/man-day	$ 1,320	
1 2-man camp; 1 month @ 1,500/month	$ 1,500	
Camp and field supplies	$ 500	
	$ 3,920	$ 3,920
Analysis and Assay:		
40 rocks analyzed by ICP and AA @ $60/sample	$ 2,400	
160 soils analyzed by ICP @ $55/sample	$ 8,800	
	$ 11,200	$ 11,200
Communication and Office Costs:		
Phone, office expenses and assessment report production	$ 800	$ 800
Itemized Cost of Recommended First-phase Program		**$ 52,120**
Goods and services tax (G.S.T.) (5% of previous items)		$ 2,606
Itemized Budget		**$ 54,726**
Contingency 10% of itemized budget		$ 5,473
Total estimated Cost of Recommended First-phase Program		**$ 60,199**

Table 11
Estimated Cost of the Recommended Second-phase Exploration Program

Item	Cost	Accumulated cost
Wages: 1 geologist: field time; 38 days @ $600/day ..... Research and reporting; 25 days @ $600/day ..... 4 Geological technicians; 38 days @ $350/day each	$ 22,800 $ 15,000 $ 53,200 $ 91,000	$ 91,000
Transport: Crew-cab 4X4 pick-up truck; 38 days @ $150/day ..... Gasoline, oil, and camp fuel	$ 5,700 $ 7,000 $ 12,700	$ 12,700
Camp and Crew Costs: Hotel: 10 man-nights @ $100/man-night ..... 5-man base camp; 1.5 months @ $3,000/month ..... Magnetometer with base station; 5 weeks @ 700/week ..... Survey and camp supplies ..... Meals in transit: 10 man-days @ $50/man-day ..... Camp food; 180 man-days @ $30/man-day	$ 1,000 $ 4,500 $ 3,500 $ 500 $ 500 $ 5,400 $ 15,400	$ 15,400
Analysis and Assay: 693 soils analyzed by ICP @ $55/sample	$ 38,115	$ 38,115
Communication and Office Costs: Phone, office expenses and assessment report production	$ 800	$ 800
Itemized Cost of Recommended Second-phase Program		**$ 158,015**
Goods and services tax (G.S.T.) (5% of previous items)		$ 7,901
Itemized Budget		**$ 165,916**
Contingency 10% of itemized budget		$ 16,592
Total estimated Cost of Recommended Second-phase Program		**$ 182,508**

The estimated total cost of both phases of the recommended program is $242,707

The Statement of Qualifications of the Author of the Technical Report is appended thereto.

USE OF AVAILABLE FUNDS

Funds Available

As of May 31, 2014, the Corporation had working capital of approximately $291,769. The Corporation's working capital is comprised of the net proceeds of the private placement financings previously completed by the Corporation. See "Prior Sales" below for further details.

Principal Purposes

		Funds to be Used
(a)	To pay the balance of estimated costs of this Prospectus (including legal and audit)	$ 25,000
(b)	To pay the cash consideration payable to the Optionor on the Listing Date pursuant to the terms of the Property Option Agreement	$ 15,000

(c)	To pay the estimated cost of the recommended First phase exploration program on the Colby Mines Property as outlined in the Technical Report	$60,199[(1)]
(d)	To provide funding sufficient to meet administrative costs for 12 months	$ 56,000
(e)	To provide general working capital to fund ongoing operations	$135,570
	Total:	**$291,769**

(1) See "Narrative Description of the Business – Recommendations" and "Narrative Description of the Business –Estimated Costs".

The Corporation's working capital available to fund ongoing operations will be sufficient to meet its administrative costs and exploration expenditures for twelve months. Estimated administrative expenditures for the following twelve months are comprised of the following:

(i)	Management and Administration Services	$30,000
(ii)	Miscellaneous Office and Supplies	$ 1,000
(iii)	Transfer Agent	$ 5,000
(iv)	Legal	$10,000
(v)	Accounting and Audit	$10,000
	Total:	**$56,000**

Since its founding, the Corporation has not generated cash flow from its operations and has incurred certain operating losses. Such losses and negative operating cash flow are expected to continue since funds will be expended to pay its administrative expenses and to conduct the recommended First-phase exploration program on the Colby Mines Property. Although the Corporation has allocated $56,000 (as above) to fund its ongoing operations for a period of twelve months, thereafter, the Corporation will be reliant on future equity financings for its funding requirements.

The Corporation's unallocated working capital will not suffice to fund the recommended Second-phase exploration program on the Colby Mines Property and there is no assurance that the Corporation can successfully obtain additional financing to fund such Second-phase program.

The Corporation intends to spend the funds available to it as stated in this Prospectus. There may be circumstances however, where, for sound business reasons, a reallocation of funds may be necessary.

In the event that the Listing Date occurs during the Summer 2014, the Corporation intends to undertake the recommended exploration program during the Summer or early Fall, 2014.

Until required for the Corporation's purposes, the proceeds will be invested only in securities of, or those guaranteed by, the Government of Canada or any province of Canada, in certificates of deposit or interest-bearing accounts of Canadian chartered banks or trust companies or in prime commercial paper. The Corporation's Chief Financial Officer will be responsible for the investment of unallocated funds.

As no securities are being offered pursuant to this Prospectus, no proceeds will be raised.

SELECTED FINANCIAL INFORMATION AND MANAGEMENT DISCUSSION AND ANALYSIS

Annual Information

The following table sets forth summary financial information of the Corporation from the audited financial statements for the financial period from incorporation on May 11, 2011 to October 31, 2011, for the financial years ended October 31, 2012 and October 31, 2013 and for the financial period ended May 31, 2014. The Corporation has completed three financial years since its incorporation on May 11, 2011, which financial years ended October 31, 2011, October 31, 2012 and October 31, 2013, respectively.

This summary financial information should only be read in conjunction with the Corporation's financial statements, including the notes thereto, included elsewhere in this Prospectus.

	Period Ended May 31, 2014 (audited)	Year Ended October 31, 2013 (audited)	Year Ended October 31, 2012 (audited)	Period from incorporation (May 11, 2011) to October 31, 2011 (audited)
Total revenues	Nil	Nil	Nil	Nil
Exploration expenditures	$756	$915	$122,197	$10,000
General and administrative expenses	$60,477	$53,690	$72,136	$28,003
Share-based compensation expense	$190,000	Nil	Nil	$174,400
Net Loss	$250,477	$53,690	$72,136	$202,403
Basic and diluted loss per common share	($0.03)	($0.01)	($0.02)	($0.08)
Total assets	$464,205	$149,414	$154,111	n/a
Long-term financial liabilities	Nil	Nil	Nil	Nil

Dividends

The Corporation has neither declared nor paid any dividends on its Common Shares. The Corporation intends to retain its earnings to finance growth and expand its operations and does not anticipate paying any dividends on its Common Shares in the foreseeable future.

Management's Discussion and Analysis

This discussion is of the audited financial statements of the Corporation for the period from incorporation on May 11, 2011 to October 31, 2011, for the financial years ended October 31, 2012 and October 31, 2013 and for the financial period ended May 31, 2014. The financial statements are included in this Prospectus and should be referred to when reading this discussion. The financial statements summarize the financial impact of the Corporation's financings, investments and operations, which financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS").

The Corporation has completed three financial years since its incorporation on May 11, 2011, which financial years ended October 31, 2011, October 31, 2012 and October 31, 2013, respectively.

Financial Period Ended October 31, 2011

During the financial period ended October 31, 2011, the Corporation reported nil revenue and a net loss of $198,539 ($0.07 per common share). J.A. Minni & Associates Inc., controlled by Jerry A. Minni, the former Chief Financial Officer, Corporate Secretary and Director of the Corporation, provided management and administrative services to the Corporation for a monthly fee of $2,500 beginning in July 2014, aggregating $10,000 during the financial period. In addition, Matalia Investments Ltd., a private company controlled by Robert Coltura, the former President, Chief Executive Officer and Director of the Corporation, also provided management and administrative services to the Corporation for the monthly fee of $2,500 beginning in July, 2014, aggregating $10,000 during the financial period. Further, the Corporation paid the sum of $3,000 to Matalia Investments Ltd. for office premises and corporate secretarial services provided during the subject financial period.

During the financial period ended October 31, 2011, the Corporation also incurred share based compensation expense in the amount of $174,400.

During the subject financial period, the Corporation incurred $10,000 in property acquisition costs.

Financial Year Ended October 31, 2012

During the financial year ended October 31, 2012, the Corporation reported nil revenue and a net loss of $72,136 ($0.02 per common share). The Corporation incurred $72,136 for general and administrative

expenses during the financial year. J.A. Minni & Associates Inc., controlled by Jerry A. Minni, the former Chief Financial Officer, Corporate Secretary and Director of the Corporation, provided management and administrative services to the Corporation for a monthly fee of $2,500, aggregating $30,000 during the financial year. In addition, Matalia Investments Ltd., controlled by Robert Coltura, the former President, Chief Executive Officer and Director of the Corporation, provided management and administrative services to the Corporation for a monthly fee of $2,500, aggregating $30,000 during the financial year. Further, the Corporation paid the sum of $4,500 to each of Matalia Investments Ltd. and Earl's Cove Financial Corp., a private company controlled by Jerry A. Minni, the former Chief Financial Officer, Corporate Secretary and Director of the Corporation, for office premises and corporate secretarial services provided during the financial year.

J. A. Minni & Associates Inc., controlled by Jerry A. Minni, provided accounting services to the Corporation during the financial year ended October 31, 2012 at a cost of $1,200.

As at October 31, 2012, the Corporation owed an aggregate $90,160 to companies controlled by Robert Coltura and Jerry A. Minni, both former directors and officers of the Corporation; such obligations are unsecured, are non-interest bearing and have no fixed terms of repayment.

During the financial year ended October 31, 2012, the Corporation incurred exploration expenditures aggregating $122,197. The Corporation commissioned the Technical Report.

During the financial year ended October 31, 2012, the Corporation received $195,250 for 3,550,000 Common Shares subscribed.

Financial Year Ended October 31, 2013

During the financial year ended October 31, 2013, the Corporation reported nil revenue and a net loss of $53,690 ($0.01 per common share). The Corporation incurred $53,690 for general and administrative expenses during the financial year. J.A. Minni & Associates Inc., controlled by Jerry A. Minni, the former Chief Financial Officer, Corporate Secretary and Director of the Corporation and Matalia Investments Ltd., controlled by Robert Coltura, the former President, Chief Executive Officer and Director of the Corporation, provided management and administrative services to the Corporation for a monthly fee of $1,458 each, aggregating $17,500 each during the financial year. Further, the Corporation paid the sum of $4,500 to each of Matalia Investments Ltd. and Earl's Cove Financial Corp., a private company controlled by Jerry A. Minni, for office premises during the financial year.

J. A. Minni & Associates Inc., controlled by Jerry A. Minni, provided accounting services to the Corporation during the financial year ended October 31, 2013 at a cost of $4,350.

As at October 31, 2013, the Corporation owed an aggregate $96,199 to companies controlled by Robert Coltura and Jerry A. Minni, both former directors and officers of the Corporation; such obligations are unsecured, are non-interest bearing and have no fixed terms of repayment.

During the financial year ended October 31, 2013, the Corporation incurred exploration expenditures aggregating $915.

Financial Period Ended May 31, 2014

During the financial period ended May 31, 2014, the Corporation reported nil revenue and a net loss of $250,477 ($0.03 per common share). J.A. Minni & Associates Inc., controlled by Jerry A. Minni, the former Chief Financial Officer, Corporate Secretary and Director of the Corporation, and Matalia Investments Ltd., controlled by Robert Coltura, the former President, Chief Executive Officer and Director of the Corporation, were each paid the sum of $1,500 during the financial period, for the provision of management and administrative services to the Corporation. Further, the Corporation paid to

each of Matalia Investments Ltd. and Earl's Cove Financial Corp. the sum of $750 for office premises provided during the financial period.

J.A. Minni & Associates Inc. provided accounting services to the Corporation during the financial period ended May 31, 2014 at a cost of $4,400.

As at May 31, 2014, the Corporation owed an aggregate $5,880 to companies controlled by Robert Coltura and Jerry A. Minni, both former directors and officers of the Corporation; such obligations are unsecured, are non-interest bearing and have no fixed terms of repayment.

During the period ended May 31, 2014, the Corporation incurred exploration expenditures aggregating $756, and received $456,499 for 4,309,996 Common Shares subscribed.

As at the date of this Prospectus, the only securities issued by the Corporation consisted of 9,859,996 Common Shares; 800,000 incentive stock options were granted by the Corporation on June 10, 2014.

The Corporation estimates that the aggregate monthly cost of administration will be approximately $4,915 for a total aggregate annual cost of approximately $56,000. See "Use of Available Funds". The net proceeds from the private placement financings previously completed by the Corporation should be sufficient to fund the Corporation's operations for at least a period of 12 months. There are no other capital expenditures to be incurred by the Corporation during the period.

The Corporation does not yet generate positive cash flow from operations, and is therefore reliant upon the issuance of its own common shares to fund its operations. As of May 31, 2014 its capital resources consisted of a cash balance of $319,310 and amounts receivable of $11,027. The Corporation also has an accounts payable and accrued liabilities balance of $38,568. The Corporation expects that it will be able to meet its current obligations as they come due with its existing cash and amounts receivable balances. As of May 31, 2014, the Corporation had met its exploration commitment of $100,000 related to the Colby Mines Property and had also paid the first cash instalment of $10,000. The Corporation expects that it will have the necessary resources to pay the second instalment of $25,000 on the Listing Date and the recommended First phase exploration program on the Colby Mines Property. In order to meet future exploration commitments and cash payments, the Corporation will require additional capital resources.

As of May 31, 2014, the Corporation had working capital of $291,769. The Corporation expects to incur losses for at least the next 24 months and there can be no assurance that the Corporation will ever make a profit. To achieve profitability, the Corporation must advance its property through further exploration in order to bring the property to a stage where the Corporation can attract the participation of a major resource company, which has the expertise and financial capability to place such property into commercial production.

The Corporation has concluded transactions and arrangements with related parties. See "Interest of Management and Others in Material Transactions" for further details.

The Corporation's ability to continue as a going-concern is dependent upon its ability to achieve profitability and fund any additional losses it may incur. The financial statements are prepared on a going concern basis, which implies that the Corporation will realize its assets and discharge its liabilities in the normal course of business. The financial statements do not reflect adjustments to the carrying value of assets and liabilities that would be necessary if the Corporation were unable to achieve and maintain profitable operations.

DESCRIPTION OF SECURITIES DISTRIBUTED

Authorized and Issued Share Capital

The authorized share capital of the Corporation consists of unlimited common shares without par value. As of the date of this Prospectus, 9,859,996 Common Shares were issued and outstanding as fully paid and non-assessable shares.

Common Shares

The holders of the Common Shares are entitled to receive notice of and to attend and vote at all meetings of the shareholders of the Corporation and each Common Share shall confer the right to one vote in person or by proxy at all meetings of the shareholders of the Corporation. The holders of the Common Shares, subject to the prior rights, if any, of any other class of shares of the Corporation, are entitled to receive such dividends in any financial year as the board of directors of the Corporation may by resolution determine. In the event of the liquidation, dissolution or winding-up of the Corporation, whether voluntary or involuntary, the holders of the Common Shares are entitled to receive, subject to the prior rights, if any, of the holders of any other class of shares of the Corporation, the remaining property and assets of the Corporation.

One of the Corporation's corporate shareholders is holding its Common Shares in trust for its shareholders and, upon the Corporation becoming a reporting issuer in British Columbia, intends to distribute its Common Shares as an in specie dividend to its shareholders.

No securities are being offered pursuant to this Prospectus.

CONSOLIDATED CAPITALIZATION

The following table summarizes changes in the Corporation's capitalization since May 31, 2014 and at the date of this Prospectus.

Description	Authorized May 31, 2014	Authorized at the date of this Prospectus	Outstanding as at May 31, 2014 (Audited)	Outstanding at the date of this Prospectus[(1)(2)] (Unaudited)
Common Shares	Unlimited	Unlimited	9,859,996	9,859,996
Long Term Debt	Nil	Nil	Nil	Nil

(1) The Common Shares to be issued on exercise of the stock options are not reflected in these figures.

(2) The 100,000 Common Shares to be issued to the Optionor in respect of the Colby Mines Property are not reflected in these figures.

OPTIONS TO PURCHASE SECURITIES

Stock Option Plan

A Stock Option Plan was approved by the Corporation's directors on June 9, 2014, and will be submitted to the Corporation's shareholders for approval, at the Corporation's next general meeting of shareholders. The purpose of the Stock Option Plan is to assist the Corporation in attracting, retaining and motivating directors, officers, employees and consultants (together "service providers") of the Corporation and of its affiliates and to closely align the personal interests of such service providers with the interests of the Corporation and its shareholders.

The Stock Option Plan provides that the aggregate number of securities reserved for issuance will be 10% of the number of Common Shares of the Corporation issued and outstanding from time to time.

The Stock Option Plan will be administered by the board of directors of the Corporation, which will have full and final authority with respect to the granting of all options thereunder.

Options may be granted under the Stock Option Plan to such service providers of the Corporation and its affiliates, if any, as the board of directors may from time to time designate. The exercise prices shall be determined by the board of directors, but shall, in no event, be less than the closing market price of the Corporation's shares on the applicable stock exchange. The Stock Option Plan provides that the number of Common Shares issuable on the exercise of options granted to all persons together with all of the Corporation's other previously granted options may not exceed 10% of the Corporation's issued and outstanding Common Shares. In addition, the number of Common Shares which may be reserved for issuance to any one individual upon exercise of all stock options held by such individual may not exceed 5% of the issued Common Shares on a yearly basis. Subject to earlier termination and in the event of dismissal for cause, termination other than for cause or in the event of death, all options granted under the Stock Option Plan will expire not later than the date that is ten years from the date that such options are granted. Options granted under the Stock Option Plan are not transferable or assignable other than by testamentary instrument or pursuant to the laws of succession.

As of the date of this Prospectus, options to purchase up to 800,000 common shares of the Corporation have been granted to the Corporation's directors and officers, as set forth below, pursuant to incentive option agreements dated for reference June 10, 2014 (the "Stock Option Agreements").

Optionee	Number of Common Shares Optioned	Exercise Price	Expiry Date
Craig Engelsman	490,000	$0.15	June 10, 2019
Quinn Field-Dyte	50,000	$0.15	June 10, 2019
Robert Birmingham	210,000	$0.15	June 10, 2019
Stephen B. Butrenchuk	50,000	$0.15	June 10, 2019

PRIOR SALES

The following table summarizes the sales of securities of the Corporation prior to the date of this Prospectus.

Issue Date	Price Per Common Share	Number of Common Shares Issued	Proceeds to the Corporation
May 11, 2011	$0.0005	2,000	$1.00
June 1, 2011	$0.0005	1,998,000[(1)]	$999.00
February 6, 2012	$0.055	1,800,000[(2)]	$99,000.00
September 29, 2012	$0.055	1,750,000	$96,250.00
January 15, 2014	$0.055	2,000,000	$110,000.00
May 30, 2014	$0.15	2,309,996	$346,499.40
TOTAL		**9,859,996**	**$652,749.40**

(1) Initially, an aggregate 3,198,000 common shares were issued on June 1, 2011 at a price of 0.0005 per common share however, subsequently, 1,200,000 of such common shares were redeemed for cash and cancelled.

(2) These shares were issued as flow-through common shares. The Corporation entered into flow-through share subscription agreements during the financial year ended October 31, 2012 whereby it committed to incur on or before December 31, 2012 qualifying Canadian Exploration Expenses ("CEE") as described in the *Income Tax Act* of Canada. As of October 31, 2012, $99,000 in CEE related to the subject flow-through shares had been renounced.

ESCROWED SECURITIES

Escrowed Securities

Under the applicable policies and notices of the Canadian Securities Administrators securities held by Principals (as defined below) are required to be held in escrow in accordance with the national escrow regime applicable to initial public distributions. Equity securities, including Common Shares, owned or controlled by the Principals of the Corporation are subject to the escrow requirements.

Principals include all persons or companies that fall into one of the following categories:

(i) directors and senior officers of the Corporation, as listed in this Prospectus;

(ii) promoters of the Corporation during the two years preceding the date of this Prospectus;

(iii) those who own and/or control more than 10% of the Corporation's voting securities immediately after the Corporation becomes a reporting issuer if they also have appointed or have the right to appoint a director or senior officer of the Corporation or of a material operating subsidiary of the Corporation;

(iv) those who own and/or control more than 20% of the Corporation's voting securities immediately after the Corporation becomes a reporting issuer; and

(v) associates and affiliates of any of the above.

The Principals of the Corporation are all of the directors and senior officers of the Corporation.

Pursuant to an agreement (the "Escrow Agreement") dated as of June 4, 2014, among the Corporation, the Escrow Agent and the Principals of the Corporation, the Principals agreed to deposit in escrow their Common Shares (the "Escrowed Securities") with the Escrow Agent. The Escrow Agreement provides that 10% of the Escrowed Securities will be released from escrow upon the Listing Date and that an additional 15% will be released therefrom every 6 month interval thereafter, over a period of 36 months.

The Corporation is an "emerging issuer" as defined in the applicable policies and notices of the Canadian Securities Administrators and if the Corporation achieves "established issuer" status during the term of the Escrow Agreement, it will "graduate" resulting in a catch-up release and an accelerated release of any securities remaining in escrow under the 18 month schedule applicable to established issuers as if the Corporation had originally been classified as an established issuer.

Pursuant to the terms of the Escrow Agreement, the Escrowed Securities may not be transferred or otherwise dealt with during the term of the Escrow Agreement unless the transfers or dealings within the escrow are:

(i) transfers to continuing or, upon their appointment, incoming directors and senior officers of the Corporation or of a material operating subsidiary, with approval of the Corporation's board of directors;

(ii) transfers to an RRSP or similar trustee plan provided that the only beneficiaries are the transferor or the transferor's spouse or children;

(iii) transfers upon bankruptcy to the trustee in bankruptcy; and

(iv) pledges to a financial institution as collateral for a *bona fide* loan, provided that upon a realization the securities remain subject to escrow. Tenders of Escrowed Securities to a take-over bid are permitted provided that, if the tenderer is a Principal of the successor corporation upon completion of the take-over bid, securities received in exchange for tendered Escrowed Securities are substituted in escrow on the basis of the successor corporation's escrow classification.

The following table sets forth details of the Escrowed Securities that are subject to the Escrow Agreement as of the date of this Prospectus:

Name	No. of Escrowed Common Shares[(1)]
Craig Engelsman	1,310,583
Robert Birmingham	1,000,000
Sara Engelsman	310,584
Total:	**2,621,167**

(1) These shares have been deposited in escrow with Computershare Investor Services Inc.

PRINCIPAL SHAREHOLDERS

To the knowledge of the directors and officers of the Corporation, as of the date of this Prospectus no person beneficially owns or exercises control or direction over Common Shares carrying more than 10% of the votes attached to the Corporation's Common Shares except for the following:

Name	Number of Common Shares Beneficially Owned Directly or Indirectly	Percentage of Common Shares Held
Craig Engelsman	1,310,583[(1)]	13.29%
Robert Birmingham	1,000,000	10.14%

(1) Does not include the 310,584 Common Shares held by Sara Engelsman.

DIRECTORS AND OFFICERS

The following table provides the names, provinces of residence, position, principal occupations and the number of voting securities of the Corporation that each of the directors and executive officers beneficially owns, directly or indirectly, or exercises control over, as of the date hereof:

Name and Province of Residence and Position with the Corporation	Director/ Officer Since	Principal Occupation for the Past Five Years	Common Shares Beneficially Owned Directly or Indirectly (at the date of this Prospectus)
CRAIG ENGELSMAN British Columbia, Canada *President, Chief Executive Officer, Director*	Director and Officer since April 30, 2014	Self-employed business consultant; President and Chief Executive Officer of Whaler Capital Corp., February, 2005 to Present; President of Revolver Resources Inc., February, 2010 to May, 2012	1,310,583[(2)] (Directly)
QUINN FIELD-DYTE[(1)] British Columbia, Canada *Chief Financial Officer, Corporate Secretary and Director*	Director and Officer since April 30, 2014	Director and Chief Financial Officer of Revolver Resources Inc., May, 2014 to present; Director of Walker River Resources Corp., January, 2012 to present; Director and Corporate Secretary of Bravura Ventures Corp., August, 2010 to present	None

Name and Province of Residence and Position with the Corporation	Director/ Officer Since	Principal Occupation for the Past Five Years	Common Shares Beneficially Owned Directly or Indirectly (at the date of this Prospectus)
ROBERT BIRMINGHAM[(1)] British Columbia, Canada *Director*	Director since April 30, 2014	Director of Noka Resources Inc., November, 2012 to present; President, Chief Executive Officer and Director of New Destiny Mining Corp., January, 2012 to present; President, Chief Executive Officer and Director of Revolver Resources Inc., February, 2012 to present	1,000,000 (Directly)
STEPHEN B. BUTRENCHUK, P.Geo.[(1)] Alberta, Canada *Director*	Director since June 9, 2014	Self-employed Consulting Geologist; Director of Anfield Resources Inc. from June, 2011 to present; Director of Goldstar Minerals Inc. from June, 2010 to present; Director of Oxford Resources Inc. from March, 2010 to present; President, Chief Executive Officer and Director of Gold Ridge Exploration Corp. from May, 2011 to July, 2013; President of Pacific Potash Corp., May, 2011 to May, 2013 and CEO from November, 2012 to May, 2013; Director of Trigold Resources Inc. from March, 2010 to January, 2013; Director of Mega Copper Ltd. from May, 2000 to February, 2012; Director of Passport Potash Inc. from April, 2010 to May, 2012 and President and Chief Executive Officer of Passport Potash Inc. from April, 2010 to January, 2011	None

(1) Denotes a member of the Audit Committee of the Corporation.
(2) Does not include the 310,584 Common Shares held by Sara Engelsman.

The term of office of the directors expires annually at the time of the Corporation's annual general meeting. The term of office of the officers expires at the discretion of the Corporation's directors.

The Corporation has one committee, the audit committee, whose members are Quinn Field-Dyte, Robert Birmingham and Stephen B. Butrenchuk.

The following is a brief description of the background of the key management, directors and promoters of the Corporation.

Craig Engelsman, *President, Chief Executive Officer, Director and Promoter*

Mr. Engelsman is President, Chief Executive Officer and a Director of the Corporation and provides his services to the Corporation on a part time basis. He has served the Corporation as President, Chief Executive Officer and a Director since April 30, 2014. He will devote approximately 20% of his time to the affairs of the Corporation.

Mr. Engelsman has acted as a financial consultant to many companies operating in this sector, providing business consulting services for a number of public and private companies. Mr. Engelsman has served as a director and/or officer of several reporting issuers including Revolver Resources Inc. and Pure Energy Minerals Limited (fr. Harmony Gold Corp.).

Mr. Engelsman is a consultant to the Corporation and has not entered into a non-competition or non-disclosure agreement with the Corporation and is 38 years of age.

Quinn Field-Dyte, *Chief Financial Officer, Corporate Secretary, Director*

Mr. Field-Dyte is the Chief Financial Officer, Corporate Secretary and Director of the Corporation and provides his services to the Corporation on a part time basis. He has served as the Chief Financial Officer, Corporate Secretary and a Director since April 30, 2014. Mr. Field-Dyte is responsible for overseeing the financial management of and reporting by the Corporation and will devote approximately 15% of his time to the affairs of the Corporation.

Mr. Field-Dyte provided investor relations services to Minegate Resources Capital Group, a company involved in providing consulting services to venture capital companies, from February, 2010 to June, 2010. Mr. Field-Dyte is currently a director and/or officer of several reporting issuers including Revolver Resources Inc., Walker River Resources Corp. and Bravura Ventures Corp.

Mr. Field-Dyte has not entered into a non-competition or non-disclosure agreement with the Corporation and is 45 years of age.

Robert Birmingham, *Director and Promoter*

Mr. Birmingham is a Director of the Corporation and provides his services to the Corporation on a part time basis. He has served as a Director of the Corporation since April 30, 2014 and will devote approximately 5% of his time to the affairs of the Corporation.

Mr. Birmingham holds a Bachelor of Business Administration from Capilano University. Mr. Birmingham is currently a director and/or officer of several reporting issuers including New Destiny Mining Corp., Revolver Resources Inc. and Noka Resources Inc. and former director of Trinity Valley Energy Corp.

Mr. Birmingham has not entered into a non-competition or non-disclosure agreement with the Corporation and is 33 years of age.

Stephen B. Butrenchuk, P.Geo., *Director*

Mr. Butrenchuk is a Director of the Corporation and provides his services to the Corporation on a part time basis. He has served as a Director of the Corporation since June 9, 2014 and will devote approximately 5% of his time to the affairs of the Corporation.

Mr. Butrenchuk received his B.Sc and M.Sc in Geology from the University of Manitoba and is a P.Geo. registered in the Province of British Columbia. He was first employed by Cominco Ltd. where he spent 16 years as an exploration geologist, was under contract to the B.C. Geological Survey for 4 years and most recently was engaged as a Consulting Geologist with several junior mineral exploration companies. Mr. Butrenchuk is currently a director and/or officer of several reporting issuers including Anfield Resources Inc., Goldstar Minerals Inc. and Oxford Resources Inc. He is the former President, Chief Executive Officer and director of Passport Potash Inc. and Gold Ridge Exploration Corp. and a former director of BonTerra Resources Inc., Pacific Potash Corp., Trigold Resources Inc. and Mega Copper Ltd.

Mr. Butrenchuk has not entered into a non-competition or non-disclosure agreement with the Corporation and is 69 years of age.

Corporate Cease Trade Orders or Bankruptcies

To the Corporation's knowledge, no existing or proposed director, officer, promoter or other member of management of the Corporation is, or within the ten years prior to the date hereof has been, a director, officer, promoter or other member of management of any other Corporation that, while that person was

acting in the capacity of a director, officer, promoter or other member of management of that Corporation, was the subject of a cease trade order or similar order or an order that denied the Corporation access to any statutory exemptions for a period of more than 30 consecutive days, was declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or has been subject to or appointed to hold the assets of that director, officer or promoter.

Penalties or Sanctions

To the Corporation's knowledge, no existing or proposed director, officer, promoter or other member of management of the Corporation has been subject to any penalties or sanctions imposed by a court or securities regulatory authority relating to trading in securities, promotion, formation or management of a publicly traded company, or involving fraud or theft.

Personal Bankruptcies

To the Corporation's knowledge, no existing or proposed director, officer, promoter or other member of management of the Corporation has, during the ten years prior to the date hereof, been declared bankrupt or made a voluntary assignment into bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or has been subject to or instituted any proceedings, arrangement, or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold his or her assets.

Conflicts of Interest

The directors of the Corporation are required by law to act honestly and in good faith with a view to the best interests of the Corporation and to disclose any interests, which they may have in any project or opportunity of the Corporation. If a conflict of interest arises at a meeting of the board of directors, any director in a conflict will disclose his interest and abstain from voting on such matter.

To the best of the Corporation's knowledge, and other than disclosed herein, there are no known existing or potential conflicts of interest among the Corporation, its promoters, directors and officers or other members of management of the Corporation or of any proposed promoter, director, officer or other member of management as a result of their outside business interests except that certain of the directors and officers serve as directors and officers of other companies, and therefore it is possible that a conflict may arise between their duties to the Corporation and their duties as a director or officer of such other companies.

AUDIT COMMITTEE AND CORPORATE GOVERNANCE

Audit Committee

National Instrument 52-110 ("NI 52-110"), NI 41-101 and Form 52-110F2 require the Corporation, as a venture issuer, to disclose certain information relating to the Corporation's audit committee (the "Audit Committee") and its relationship with the Corporation's independent auditors.

Audit Committee Charter

The text of the Audit Committee's charter is attached as Schedule A-1.

Composition of Audit Committee

The members of the Corporation's Audit Committee are:

Quinn Field-Dyte	Not Independent	Financially literate[(2)]
Robert Birmingham	Independent[(1)]	Financially literate[(2)]

Stephen B. Butrenchuk	Independent[(1)]	Financially literate[(2)]

(1) A member of an audit committee is independent if the member has no direct or indirect material relationship with the Corporation, which could, in the view of the Corporation's board of directors, reasonably interfere with the exercise of a member's independent judgment.

(2) An individual is financially literate if he has the ability to read and understand a set of financial statements that present a breadth 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 Corporation's financial statements.

Relevant Education and Experience

Each member of the Corporation's present Audit Committee has adequate education and experience that is relevant to their performance as an Audit Committee member and, in particular, the requisite education and experience that have provided the member with:

(a) an understanding of the accounting principles used by the Corporation to prepare its financial statements and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;

(b) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Corporation's financial statements or experience actively supervising individuals engaged in such activities; and

(c) an understanding of internal controls and procedures for financial reporting.

See "Directors and Officers" for further details.

Audit Committee Oversight

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

Reliance on Certain Exemptions

At no time since the commencement of the Corporation's most recently completed financial year has the Corporation relied on the exemption in Section 2.4 of NI 52-110 (De Minimis Non-audit Services), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of National Instrument 52-110.

Pre-Approval Policies and Procedures

The Audit Committee is authorized by the Corporation's board of directors to review the performance of the Corporation's external auditors and approve in advance provision of services other than auditing and to consider the independence of the external auditors, including a review of the range of services provided in the context of all consulting services bought by the Corporation. The Audit Committee is authorized to approve in writing any non-audit services or additional work which the Chairman of the Audit Committee deems is necessary, and the Chairman will notify the other members of the Audit Committee of such non-audit or additional work and the reasons for such non-audit work for the Committee's consideration, and if thought fit, approval in writing.

External Auditor Service Fees

The fees billed by the Corporation's external auditors during the period from incorporation (May 11, 2011) to October 31, 2013 for audit and non-audit related services provided to the Corporation are as follows:

Period from Incorporation (May 11, 2011) to October 31, 2013	Audit Fees	Audit Related Fees[(1)]	Tax Fees[(2)]	All other Fees[(3)]
2013	Nil[(4)]	Nil	Nil	Nil

(1) Fees charged for assurance and related services that are reasonably related to the performance of an audit, and not included under Audit Fees.
(2) Fees charged for tax compliance, tax advice and tax planning services.
(3) Fees for services other than disclosed in any other column.
(4) As of October 31, 2013, the Corporation's external auditors had not billed the Corporation for any services. Fees for the Corporation's audit are estimated to be $18,000.

Exemption

The Corporation has relied upon the exemption provided by section 6.1 of NI 52-110, which exempts a venture issuer from the requirement to comply with the restrictions on the composition of its Audit Committee and the disclosure requirements of its Audit Committee in an annual information form as prescribed by NI 52-110.

Corporate Governance

General

The Corporation's board of directors believes that good corporate governance improves corporate performance and benefits all shareholders. National Policy 58-201 - *Corporate Governance Guidelines* provides non-prescriptive guidelines on corporate governance practices for reporting issuers such as the Corporation. In addition, National Instrument 58-101 - *Disclosure of Corporate Governance Practices* ("NI 58-101") prescribes certain disclosure by the Corporation of its corporate governance practices. This disclosure is presented below.

Board of Directors

The Corporation's board of directors facilitates its exercise of independent supervision over the Corporation's management through frequent meetings of the board of directors.

The Corporation's board of directors is comprised of four (4) directors, of whom each of Robert Birmingham and Stephen B. Butrenchuk are independent for the purposes of NI 58-101. Craig Engelsman is a member of the Corporation's management and is not independent as he serves as President and Chief Executive Officer of the Corporation. Quinn Field-Dyte is a member of the Corporation's management and is not independent as he serves as Chief Financial Officer and Corporate Secretary of the Corporation.

Directorships

Certain of the Corporation's directors are also currently directors of other reporting issuers as follows:

NAME	REPORTING ISSUER
Craig Engelsman	None

NAME	REPORTING ISSUER
Quinn Field-Dyte	Bravura Ventures Corp.
	Revolver Resources Inc.
	Walker River Resources Corp.
Robert Birmingham	New Destiny Mining Corp.
	Revolver Resources Inc.
	Noka Resources Inc.
Stephen B. Butrenchuk	Anfield Resources Inc.
	Goldstar Minerals Inc.
	Oxford Resources Inc.

Orientation and Continuing Education

New members of the board of directors receive an orientation package which includes reports on operations and results, and public disclosure filings by the Corporation. Meetings of the board of directors are sometimes held at the Corporation's offices and, from time to time, are combined with presentations by the Corporation's management to give the directors additional insight into the Corporation's business. In addition, management of the Corporation makes itself available for discussion with all members of the board of directors.

Ethical Business Conduct

The Board has found that the fiduciary duties placed on individual directors by the Corporation's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Corporation.

Nomination of Directors

The Board considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of view and experience.

The Board does not have a nominating committee, and these functions are currently performed by the Board as a whole. However, if there is a change in the number of directors required by the Corporation, this policy will be reviewed.

Compensation

The Board is responsible for determining compensation for the directors of the Corporation to ensure it reflects the responsibilities and risks of being a director of a public company.

Other Board Committees

The Board has no committee other than the Audit Committee.

Assessments

Due to the minimal size of the Corporation's board of directors, no formal policy has been established to monitor the effectiveness of the directors, the Board and its committees.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

In assessing the compensation of its executive officers, the Corporation does not have in place any formal objectives, criteria or analysis; compensation payable is currently determined by the Board.

As of the date of this Prospectus, the Corporation's directors have not established any benchmark or performance goals to be achieved or met by the Named Executive Officers, however, such Named Executive Officers are expected to carry out their duties in an effective and efficient manner so as to advance the business objectives of the Corporation. The satisfactory discharge of such duties is subject to ongoing monitoring by the Corporation's directors.

Payments are made from time to time to individuals or companies they control for the provision of consulting services. Such consulting services are paid for by the Corporation at competitive industry rates for work of a similar nature by reputable arm's length services providers.

Option-Based Awards

Stock options are granted to provide an incentive to the directors, officers, employees and consultants of the Corporation to achieve the longer-term objectives of the Corporation; to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Corporation; and to attract and retain persons of experience and ability, by providing them with the opportunity to acquire an increased proprietary interest in the Corporation.

Named Executive Officers' Compensation

During the financial year ended October 31, 2013, the Corporation had two Named Executive Officers (as defined in National Instrument 51-102), namely Robert Coltura, the former President and Chief Executive Officer and Jerry A. Minni, the former Chief Financial Officer and Corporate Secretary.

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

Name and Principal Position	Year Ended	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			
Robert Coltura former President and Chief Executive Officer[1]	October 31, 2013	Nil	Nil	Nil	Nil	Nil	Nil	$17,500[2] $4,500[4]	$22,000
	October 31, 2012	Nil	Nil	Nil	Nil	Nil	Nil	$30,000[2] $4,500[4]	$34,500
Jerry A. Minni former Chief Financial Officer and Corporate Secretary[1]	October 31, 2013	Nil	Nil	Nil	Nil	Nil	Nil	$17,500[3] $4,350[5] $4,500[6]	$26,350
	October 31, 2012	Nil	Nil	Nil	Nil	Nil	Nil	$30,000[3] $1,200[5] $4,500[6]	$35,700

(1) Robert Coltura and Jerry A. Minni resigned on April 30, 2014.

(2) Matalia Investments Ltd., controlled by Robert Coltura, provided management and administrative services to the Corporation for a monthly fee.

(3) J.A. Minni & Associates Inc., controlled by Jerry A. Minni, provided management and administrative services to the Corporation for a monthly fee.

(4) Matalia Investments Ltd., controlled by Robert Coltura, provided office premises to the Corporation.

(5) J.A. Minni & Associates Inc., controlled by Jerry A. Minni, provided accounting services to the Corporation.

(6) Earl's Cove Financial Corp., controlled by Jerry A. Minni, provided office premises to the Corporation.

Outstanding Share-Based Awards and Option-Based Awards

The following table sets out the details of all grant of options to the Named Executive Officers during the most recently completed financial year ended October 31, 2013.

OPTION-BASED AWARDS					SHARE-BASED AWARDS	
NAME	NUMBER OF SECURITIES UNDERLYING UNEXERCISED OPTIONS (#)	OPTION EXERCISE PRICE ($)	OPTION EXPIRY DATE	VALUE OF UNEXERCISED IN-THE-MONEY OPTIONS ($)	NUMBER OF SHARES OR UNITS OF SHARES THAT HAVE NOT VESTED (#)	MARKET OR PAYOUT VALUE OF SHARE-BASED AWARDS THAT HAVE NOT VESTED (#)
Robert Coltura former President and Chief Executive Officer	Nil	N/A	N/A	Nil	Nil	Nil
Jerry A. Minni former Chief Financial Officer and Corporate Secretary	Nil	N/A	N/A	Nil	Nil	Nil

Termination of Employment, Change of Control Benefits and Employment Contracts

The Corporation does not have any employment or consulting contracts.

Directors' Compensation

The only arrangements the Corporation has pursuant to which directors are compensated by the Corporation for their services in their capacity as directors, or for committee participation, involvement in special assignments or for services as consultant or expert during the most recently completed financial year or subsequently, are by the issuance of incentive stock options pursuant to the Corporation's Stock Option Plan. The purpose of granting such options is to assist the Corporation in compensating, attracting, retaining, and motivating the directors of the Corporation and to closely align the personal interests of such persons to that of the shareholders.

Director Compensation Table

The following table sets forth the value of all compensation provided to directors, not including those directors who are also Named Executive Officers, for the Corporation's most recently completed financial year:

Name	Fees Earned ($)	Share-based Awards ($)	Option-based Awards ($)	Non-equity Incentive Plan Compensation ($)	Pension Value ($)	All Other Compensation ($)	Total ($)
None	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Outstanding Share-Based Awards and Option-Based Awards

The following table sets out the details of all grant of options to the directors during the most recently completed financial year.

OPTION-BASED AWARDS					SHARE-BASED AWARDS	
NAME	NUMBER OF SECURITIES UNDERLYING UNEXERCISED OPTIONS (#)	OPTION EXERCISE PRICE ($)	OPTION EXPIRY DATE	VALUE OF UNEXERCISED IN-THE-MONEY OPTIONS ($)[1]	NUMBER OF SHARES OR UNITS OF SHARES THAT HAVE NOT VESTED (#)	MARKET OR PAYOUT VALUE OF SHARE-BASED AWARDS THAT HAVE NOT VESTED (#)
None	N/A	N/A	N/A	N/A	N/A	N/A

Proposed Compensation to be paid to Executive Officers

During the next 12 months, the Corporation proposes to pay the following compensation to its executive officers:

NAME AND PRINCIPAL POSITION	SALARY ($)	ALL OTHER COMPENSATION ($)	TOTAL COMPENSATION ($)
Craig Engelsman President and Chief Executive Officer	$20,000	None	$20,000
Quinn Field-Dyte Chief Financial Officer and Corporate Secretary	$10,000	None	$10,000

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Other than routine indebtedness for travel and other expense advances, no existing or proposed director, executive officer or senior officer of the Corporation or any associate of any of them, was indebted to the Corporation as at October 31, 2013, or is currently indebted to the Corporation.

RISK FACTORS

The securities offered hereunder must be considered highly speculative due to the nature of the Corporation's business. Prospective investors should carefully consider the information presented in this Prospectus before purchasing the Shares offered under this Prospectus, which include the following:

Insufficient Capital

The Corporation does not currently have any revenue producing operations and may, from time to time, report a working capital deficit. To maintain its activities, the Corporation will require additional funds which may be obtained either by the sale of equity capital or by entering into an option or joint venture agreement with a third party providing such funding. There is no assurance that the Corporation will be successful in obtaining such additional financing; failure to do so could result in the loss or substantial dilution of the Corporation's interest in the Colby Mines Property.

Financing Risks

The Corporation has no history of significant earnings and, due to the nature of its business, there can be no assurance that the Corporation will be profitable. The Corporation 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 Corporation is through the sale of its equity shares. Even if the results of exploration are encouraging, the Corporation 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 any of its properties. While the Corporation may generate additional working capital through further equity offerings or through the sale or possible syndication of its properties, there is no assurance that any such funds will be available on terms acceptable to the Corporation, or at all. If available, future equity financing may result in substantial dilution to shareholders of the Corporation. At present it is impossible to determine what amounts of additional funds, if any, may be required.

Limited Operating History

The Corporation has no history of earnings. There are no known commercial quantities of mineral reserves on the Colby Mines Property, however the Corporation intends to carry out exploration and development on the Colby Mines Property with the objective of establishing economic quantities of mineral reserves.

Resale of Shares

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

Price Volatility of Publicly Traded Securities

In recent years, the securities markets in the United States and 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. It may be anticipated that any quoted market for the Common Shares will be subject to market trends generally, notwithstanding any potential success of the Corporation in creating revenues, cash flows or earnings. The value of Common Shares distributed hereunder will be affected by such volatility.

There is currently no public market for the Corporation's Common Shares. An active public market for the Common Shares might not develop or be sustained. If an active public market for the Common Shares does not develop, the liquidity of a shareholder's investment may be limited.

Negative Operating Cash Flow

Since inception, the Corporation has had negative operating cash flow. The Corporation has incurred losses since its founding. The losses and negative operating cash flow are expected to continue for the foreseeable future as funds are expended on the exploration program on the Colby Mines Property and administrative costs. The Corporation cannot predict when it will reach positive operating cash flow.

Title Risks

Although the Corporation has exercised the usual due diligence with respect to determining title to properties in which it has a material interest, there is no guarantee that title to such properties will not be challenged or impugned. The Corporation's mineral property interests may be subject to prior unregistered agreements or transfers or native land claims and title may be affected by undetected defects. Surveys have not been carried out on any of the Corporation's mineral properties, therefore, in accordance with the laws of the jurisdiction in which such properties are situated; their existence and area could be in doubt. Until competing interests in the mineral lands have been determined, the Corporation

can give no assurance as to the validity of title of the Corporation to those lands or the size of such mineral lands. Further, the Corporation does not own the Colby Mines Property and only has a right to earn an interest therein pursuant to the Property Option Agreement. In the event that the Corporation does not fulfill its obligations contemplated by the Property Option Agreement, it will lose its interest in the Colby Mines Property.

Exploration and Development

Resource exploration and development 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 Corporation may be affected by numerous factors which are beyond the control of the Corporation 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 Corporation not receiving an adequate return of investment capital.

All of the concessions to which the Corporation has a right to acquire an interest in are in the exploration stages only and are without a known body of commercial ore. Development of the subject mineral properties 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.

There is no assurance that the Corporation's mineral exploration and development activities will result in any discoveries of commercial bodies of ore. The long-term profitability of the Corporation'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 identify the existence of a deposit and to establish an exploitable reserve of ore. 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.

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 Corporation 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 Corporation.

Environmental Regulations, Permits and Licenses

The Corporation's operations may be subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in imposition of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner which means stricter standards, and enforcement, fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The cost of

compliance with changes in governmental regulations has a potential to reduce the profitability of operations. The Corporation intends to fully comply with all environmental regulations.

The current or future operations of the Corporation, including development activities and commencement of production on its properties, require permits from various, federal, provincial or territorial and local governmental authorities and such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters.

Such operations and exploration activities are also subject to substantial regulation under these laws by governmental agencies and may require that the Corporation obtain permits from various governmental agencies. There can be no assurance, however, that all permits which the Corporation may require for its operations and exploration activities will be obtainable on reasonable terms or on a timely basis or such laws and regulations would not have an adverse effect on any mining project which the Corporation might undertake.

Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions thereunder, 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 mining operations may be required to compensate those suffering loss or damage by reason of mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Corporation and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

No Commercial Ore

The Colby Mines Property does not contain any amounts of commercial ore.

Competition

The mining industry is intensely competitive in all its phases, and the Corporation competes with other companies that have greater financial resources and technical facilities. Competition could adversely affect the Corporation's ability to acquire suitable properties or prospects in the future.

Management

The success of the Corporation is currently largely dependent on the performance of its officers. The loss of the services of these persons will have a materially adverse effect on the Corporation's business and prospects. There is no assurance the Corporation can maintain the services of its officers or other qualified personnel required to operate its business. Failure to do so could have a material adverse affect on the Corporation and its prospects.

Fluctuating Mineral Prices

Factors beyond the control of the Corporation may affect the marketability of metals discovered, if any. Metal prices have fluctuated widely, particularly in recent years. The effect of these factors cannot be predicted.

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 Corporation. Conflicts, if any, will be dealt with in accordance with the relevant provisions of the *Business Corporations Act* (British Columbia).

Some of the directors and officers of the Corporation 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 Corporation and their duties to the other companies on whose boards they serve, the directors and officers of the Corporation have agreed to the following:

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

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

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

Dividends

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

PROMOTERS

Craig Engelsman and Robert Birmingham are considered to be the promoters of the Corporation in that they took the initiative in organizing the Corporation. Craig Engelsman holds, directly, 1,310,583 Common Shares representing 13.29% of the Corporation's currently issued Common Shares while Robert Birmingham holds, directly, 1,000,000 Common Shares representing 10.14% thereof. See "Principal Shareholders" for further details. For a description of the options granted to Messrs. Engelsman and Birmingham see "Options to Purchase Securities". For a description of any compensation to be paid to Messrs. Engelsman and Birmingham by the Corporation see "Executive Compensation – Proposed Compensation to be paid to Executive Officers".

The named promoters of the Corporation have provided and will continue to provide management and administrative services to the Corporation.

LEGAL PROCEEDINGS

The Corporation is not a party to any legal proceedings and is not aware of any such proceedings known to be contemplated.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Except as set out above, the directors, senior officers and principal shareholders of the Corporation or any associate or affiliate of the foregoing have had no material interest, direct or indirect, in any transactions in which the Corporation has participated within the three year period prior to the date of this Prospectus, or will have any material interest in any proposed transaction, which has materially affected or will materially affect the Corporation.

AUDITORS

The auditor of the Corporation is Manning Elliott LLP, Chartered Accountants, of 11th Floor, 1050 West Pender Street, Vancouver, British Columbia, Canada, V6E 3S7.

REGISTRAR AND TRANSFER AGENT

The registrar and transfer agent of the Corporation is Computershare Investor Services Inc., of 510 Burrard Street, 3rd Floor, Vancouver, British Columbia, V6C 3B9.

MATERIAL CONTRACTS

Except for contracts made in the ordinary course of business, the following are the only material contracts entered into by the Corporation within two years prior to the date hereof which are currently in effect and considered to be currently material:

1. Amended and Restated Option Agreement made between the Corporation, Rich River Exploration Ltd. and Craig Alvin Lynes dated June 16, 2014, referred to under "General Development of the Business".

2. Declaration of Trust dated June 16, 2014 executed by Craig Alvin Lynes, referred to under "General Development of the Business".

3. Stock Option Plan dated June 9, 2014 referred to under "Options to Purchase Securities".

4. Stock Option Agreements dated for reference June 10, 2014 between the Corporation and certain directors and officers of the Corporation referred to under "Options to Purchase Securities".

5. Escrow Agreement among the Corporation, Computershare Investor Services Inc. and the Principals of the Corporation dated June 4, 2014 referred to under "Escrowed Securities".

A copy of any material contract and the Technical Report may be inspected during normal business hours at the Corporation's offices at Suite 1330, 1075 West Georgia Street, Vancouver, British Columbia, Canada. As well, the Technical Report is available for viewing on SEDAR located at the following website: www.sedar.com.

EXPERTS

No person or company whose profession or business gives authority to a report, valuation, statement or opinion and who is named as having prepared or certified a part of this Prospectus or as having prepared or certified a report or valuation described or included in this Prospectus holds or is to hold any beneficial or registered interest, direct or indirect, in any securities or property of the Corporation or any associate or affiliate of the Corporation. None of such persons is or is expected to be elected, appointed or employed as a director or employee of the Corporation.

Certain legal matters related to this Prospectus will be passed upon on behalf of the Corporation by Salley Bowes Harwardt Law Corp. John Ostler, M.Sc., P.Geo., author of the Technical Report on the Colby Mines Property, is independent from the Corporation within the meaning of NI 43-101 Standards of Disclosure for Mineral Projects.

Manning Elliott LLP, Chartered Accountants is the auditor of the Corporation. Manning Elliott LLP has informed the Corporation that it is independent of the Corporation within the meaning of the rules of professional conduct of the Institute of Chartered Accountants of British Columbia (ICABC).

OTHER MATERIAL FACTS

There are no other material facts other than as disclosed herein.

FINANCIAL STATEMENTS

Attached to and forming a part of this Prospectus are the audited financial statements of the Corporation for the period from incorporation on May 11, 2011 to October 31, 2011, for the financial years ended October 31, 2012 and October 31, 2013 and for the financial period ended May 31, 2014.

INEXCO MINING CORP.
(the "Company")

AUDIT COMMITTEE CHARTER

1. Mandate and Purpose of the Committee

The Audit Committee (the "**Committee**") of the board of directors (the "**Board**") of **INEXCO MINING CORP.** (the "**Company**") is a standing committee of the Board whose primary function is to assist the Board in fulfilling its oversight responsibilities relating to:

(a) the integrity of the Company's financial statements;

(b) the Company's compliance with legal and regulatory requirements, as they relate to the Company's financial statements;

(c) the qualifications, independence and performance of the Company's auditor;

(d) internal controls and disclosure controls;

(e) the performance of the Company's internal audit function;

(f) consideration and approval of certain related party transactions; and

(g) performing the additional duties set out in this Charter or otherwise delegated to the Committee by the Board.

2. Authority

The Committee has the authority to:

(i) engage and compensate independent counsel and other advisors as it determines necessary or advisable to carry out its duties; and

(ii) communicate directly with the Company's auditor.

The Committee has the authority to delegate to individual members or subcommittees of the Committee.

3. Composition and Expertise

The Committee shall be composed of a minimum of three members, each of whom is a director of the Company. A majority of the Committee's members must be "independent" and "financially literate" as such terms are defined in applicable securities legislation.

Committee members shall be appointed annually by the Board at the first meeting of the Board following each annual meeting of shareholders. Committee members hold office until the next annual meeting of shareholders or until they are removed by the Board or cease to be directors of the Company.

The Board shall appoint one member of the Committee to act as Chair of the Committee. If the Chair of the Committee is absent from any meeting, the Committee shall select one of the other members of the Committee to preside at that meeting.

4. Meetings

Any member of the Committee or the auditor may call a meeting of the Committee. The Committee shall meet at least four times per year and as many additional times as the Committee deems necessary to carry out its duties. The Chair shall develop and set the Committee's agenda, in consultation with other members of the Committee, the Board and senior management.

Notice of the time and place of every meeting shall be given in writing to each member of the Committee, at least 72 hours (excluding holidays) prior to the time fixed for such meeting. The Company's auditor shall be given notice of every meeting of the Committee and, at the expense of the Company, shall be entitled to attend and be heard thereat. If requested by a member of the Committee, the Company's auditor shall attend every meeting of the Committee held during the term of office of the Company's auditor.

A majority of the Committee shall constitute a quorum. No business may be transacted by the Committee except at a meeting of its members at which a quorum of the Committee is present in person or by means of such telephonic, electronic or other communications facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously. Business may also be transacted by the unanimous written consent resolutions of the members of the Committee, which when so approved shall be deemed to be resolutions passed at a duly called and constituted meeting of the Committee.

The Committee may invite such directors, officers and employees of the Company and advisors as it sees fit from time to time to attend meetings of the Committee.

The Committee shall meet without management present whenever the Committee deems it appropriate.

The Committee shall appoint a Secretary who need not be a director or officer of the Company. Minutes of the meetings of the Committee shall be recorded and maintained by the Secretary and shall be subsequently presented to the Committee for review and approval.

5. Committee and Charter Review

The Committee shall conduct an annual review and assessment of its performance, effectiveness and contribution, including a review of its compliance with this Charter. The Committee shall conduct such review and assessment in such manner as it deems appropriate and report the results thereof to the Board.

The Committee shall also review and assess the adequacy of this Charter on an annual basis, taking into account all legislative and regulatory requirements applicable to the Committee, as well as any guidelines recommended by regulators or the Toronto Stock Exchange and shall recommend changes to the Board thereon.

6. Reporting to the Board

The Committee shall report to the Board in a timely manner with respect to each of its meetings held. This report may take the form of circulating copies of the minutes of each meeting held.

7. Duties and Responsibilities

(a) Financial Reporting

The Committee is responsible for reviewing and recommending approval to the Board of the Company's annual and interim financial statements, MD&A and related news releases, before they are released.

The Committee is also responsible for:

(i) being satisfied that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements, other than the public disclosure referred to in the preceding paragraph, and for periodically assessing the adequacy of those procedures;

(ii) engaging the Company's auditor to perform a review of the interim financial statements and receiving from the Company's auditor a formal report on the auditor's review of such interim financial statements;

(iii) discussing with management and the Company's auditor the quality of applicable accounting principles and financial reporting standards, not just the acceptability of thereof;

(iv) discussing with management any significant variances between comparative reporting periods; and

(v) in the course of discussion with management and the Company's auditor, identifying problems or areas of concern and ensuring such matters are satisfactorily resolved.

(b) **Auditor**

The Committee is responsible for recommending to the Board:

(i) the auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company; and

(ii) the compensation of the Company's auditor.

The Company's auditor reports directly to the Committee. The Committee is directly responsible for overseeing the work of the Company's auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the Company's auditor regarding financial reporting.

(c) **Relationship with the Auditor**

The Committee is responsible for reviewing the proposed audit plan and proposed audit fees. The Committee is also responsible for:

(i) establishing effective communication processes with management and the Company's auditor so that it can objectively monitor the quality and effectiveness of the auditor's relationship with management and the Committee;

(ii) receiving and reviewing regular feedback from the auditor on the progress against the approved audit plan, important findings, recommendations for improvements and the auditor's final report;

(iii) reviewing, at least annually, a report from the auditor on all relationships and engagements for non-audit services that may be reasonably thought to bear on the independence of the auditor; and

(iv) meeting in camera with the auditor whenever the Committee deems it appropriate.

(d) **Accounting Policies**

The Committee is responsible for:

(i) reviewing the Company's accounting policy note to ensure completeness and acceptability with applicable accounting principles and financial reporting standards as part of the approval of the financial statements;

(ii) discussing and reviewing the impact of proposed changes in accounting standards or securities policies or regulations;

(iii) reviewing with management and the auditor any proposed changes in major accounting policies and key estimates and judgments that may be material to financial reporting;

(iv) discussing with management and the auditor the acceptability, degree of aggressiveness/conservatism and quality of underlying accounting policies and key estimates and judgments; and

(v) discussing with management and the auditor the clarity and completeness of the Company's financial disclosures.

(e) **Risk and Uncertainty**

The Committee is responsible for reviewing, as part of its approval of the financial statements:

(i) uncertainty notes and disclosures; and

(ii) MD&A disclosures.

The Committee, in consultation with management, will identify the principal business risks and decide on the Company's "appetite" for risk. The Committee is responsible for reviewing related risk management policies and recommending such policies for approval by the Board. The Committee is then responsible for communicating and assigning to the applicable Board committee such policies for implementation and ongoing monitoring.

The Committee is responsible for requesting the auditor's opinion of management's assessment of significant risks facing the Company and how effectively they are managed or controlled.

(f) **Controls and Control Deviations**

The Committee is responsible for reviewing:

(i) the plan and scope of the annual audit with respect to planned reliance and testing of controls; and

(ii) major points contained in the auditor's management letter resulting from control evaluation and testing.

The Committee is also responsible for receiving reports from management when significant control deviations occur.

(g) **Compliance with Laws and Regulations**

The Committee is responsible for reviewing regular reports from management and others (e.g. auditors) concerning the Company's compliance with financial related laws and regulations, such as:

(i) tax and financial reporting laws and regulations;

(ii) legal withholdings requirements;

(iii) environmental protection laws; and

(iv) other matters for which directors face liability exposure.

(h) **Related Party Transactions**

All transactions between the Company and a related party (each a "related party transaction"), other than transactions entered into in the ordinary course of business, shall be presented to the Committee for consideration.

The term "related party" includes (i) all directors, officers, employees, consultants and their associates (as that term is defined in the Securities Act (British Columbia)), as well as all entities with common directors, officers, employees and consultants (each "general related parties"), and (ii) all other individuals and entities having beneficial ownership of, or control or direction over, directly or indirectly securities of the Company carrying more than 10% of the voting rights attached to all of the Company's outstanding voting securities (each "10% shareholders").

Related party transactions involving general related parties which are not material to the Company require review and approval by the Committee. Related party transactions that are material to the Company or that involve 10% shareholders require approval by the Board, following review thereof by the Committee and the Committee providing its recommendation thereon to the Board.

8. Non-Audit Services

All non-audit services to be provided to the Company or its subsidiary entities by the Company's auditor must be pre-approved by the Committee.

9. Submission Systems and Treatment of Complaints

The Committee is responsible for establishing procedures for:

(a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and

(b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

The Committee is responsible for reviewing complaints and concerns that are brought to the attention of the Chair of the Audit Committee and for ensuring that any such complaints and concerns are

appropriately addressed. The Committee shall report quarterly to the Board on the status of any complaints or concerns received by the Committee.

10. Procedure For Reporting Of Fraud Or Control Weaknesses

Each employee is expected to report situations in which he or she suspects fraud or is aware of any internal control weaknesses. An employee should treat suspected fraud seriously, and ensure that the situation is brought to the attention of the Committee. In addition, weaknesses in the internal control procedures of the Company that may result in errors or omissions in financial information, or that create a risk of potential fraud or loss of the Company's assets, should be brought to the attention of both management and the Committee.

To facilitate the reporting of suspected fraud, it is the policy of Company that the employee (the "whistleblower") has anonymous and direct access to the Chair of the Audit Committee. Should a new Chair be appointed prior to the updating of this document, current Chair will ensure that the whistleblower is able to reach the new Chair in a timely manner. In the event that the Chair of the Audit Committee cannot be reached, the whistleblower should contact the Chair of the Board of Directors. Access to the names and place of employment of the Company's Directors can be found in the Company's website.

In addition, it is the policy of the Company that employees concerned about reporting internal control weaknesses directly to management are able to report such weaknesses to the Committee anonymously. In this case, the employee should follow the same procedure detailed above for reporting suspected fraud.

11. Hiring Policies

The Committee is responsible for reviewing and approving the Company's hiring policies regarding partners, employees and former partners and employees of the present and former auditor of the Company.

INEXCO MINING CORP.
FINANCIAL STATEMENTS
AS AT
MAY 31, 2014,
OCTOBER 31, 2013 AND 2012

MANNING ELLIOTT
ACCOUNTANTS & BUSINESS ADVISORS

11th floor, 1050 West Pender Street, Vancouver, BC, Canada V6E 3S7

Tel: 604. 714. 3600 Fax: 604. 714. 3669 Web: manningelliott.com

INDEPENDENT AUDITORS' REPORT

To the Directors of
Inexco Mining Corp.

We have audited the accompanying financial statements of Inexco Mining Corp. which comprise the statements of financial position as at May 31, 2014, October 31, 2013 and 2012, and the statements of comprehensive loss, changes in equity and cash flows for the periods then ended, and the related notes comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility
Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion
In our opinion, the financial statements present fairly, in all material respects, the financial position of Inexco Mining Corp. as at May 31, 2014, October 31, 2013 and 2012, and its financial performance and cash flows for the periods then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Emphasis of Matter
Without qualifying our opinion, we draw attention to Note 1 in the financial statements which indicates the existence of a material uncertainty that may cast significant doubt on the ability of Inexco Mining Corp. to continue as a going concern.

CHARTERED ACCOUNTANTS
Vancouver, British Columbia
[Report Date]

INEXCO MINING CORP.
STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian dollars)

	Note	May 31, 2014	October 31, 2013	October 31, 2012
		$	$	$
ASSETS				
CURRENT				
Cash		319,310	2,034	8,069
Amounts receivables		11,027	14,268	13,845
		330,337	16,302	21,914
EXPLORATION AND EVALUATION ASSETS	6	133,868	133,112	132,197
		464,205	149,414	154,111
LIABILITIES				
CURRENT				
Accounts payable and accrued liabilities	8	38,568	108,644	107,251
SHAREHOLDERS' EQUITY				
SHARE CAPITAL	7	642,943	194,599	194,599
SHARE SUBSCRIPTIONS RECEIVABLE		(3,000)	-	(47,600)
CONTRIBUTED SURPLUS		364,400	174,400	174,400
DEFICIT		(578,706)	(328,229)	(274,539)
		425,637	40,770	46,860
		464,205	149,414	154,111

NATURE OF BUSINESS AND CONTINUING OPERATIONS (Note 1)
SUBSEQUENT EVENTS (Note 12)

Approved on behalf of the Board:

"Craig Engelsman" Director *"Quinn Field-Dyte"* Director

The accompanying notes are an integral part of these financial statements

INEXCO MINING CORP.
STATEMENTS OF COMPREHENSIVE LOSS
(Expressed in Canadian dollars)

	Note	Seven months ended May 31, 2014	Year ended October 31, 2013	Year ended October 31, 2012	Period from incorporation to October 31, 2011
		$	$	$	$
EXPENSES					
Advertising		-	837	-	-
Interest and bank charges		60	100	105	174
Filing fees		123	-	165	-
Management fees	8	3,000	35,000	60,000	20,000
Office		2,528	2,968	-	-
Professional fees		53,266	5,785	2,866	4,829
Rent	8	1,500	9,000	9,000	3,000
Share-based compensation	7	190,000	-	-	174,400
NET LOSS AND COMPREHENSIVE LOSS		(250,477)	(53,690)	(72,136)	(202,403)
LOSS PER SHARE – Basic and diluted		(0.03)	(0.01)	(0.02)	(0.08)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING		7,248,152	6,750,000	4,675,068	2,658,262

The accompanying notes are an integral part of these financial statements

INEXCO MINING CORP.
STATEMENTS OF CHANGES IN EQUITY
(Expressed in Canadian dollars)

	Common Shares						
	Number of Shares	Amount	Shares subscriptions receivable	Shares subscribed	Contributed Surplus	Deficit	Total
		$	$	$	$	$	$
Date of Incorporation, May 11, 2011	-	-	-	-	-	-	-
Shares issued for cash	3,200,000	1,600	(1,400)	-	-	-	200
Share issuance costs	-	(1,815)	-	-	-	-	(1,815)
Shares subscriptions received	-	-	-	44,000	-	-	44,000
Share-based compensation	-	-	-	-	174,400	-	174,400
Net loss and comprehensive loss for the period	-	-	-	-	-	(202,403)	(202,403)
Balance, October 31, 2011	3,200,000	(215)	(1,400)	44,000	174,400	(202,403)	14,382
Shares issued for cash	3,550,000	195,250	(46,200)	(44,000)	-	-	105,050
Share issuance costs	-	(436)	-	-	-	-	(436)
Net loss and comprehensive loss for the year	-	-	-	-	-	(72,136)	(72,136)
Balance, October 31, 2012	6,750,000	194,599	(47,600)	-	174,400	(274,539)	46,860
Shares subscriptions received	-	-	47,600	-	-	-	47,600
Net loss and comprehensive loss for the year	-	-	-	-	-	(53,690)	(53,690)
Balance, October 31, 2013	6,750,000	194,599	-	-	174,400	(328,229)	40,770
Cancelled shares	(1,200,000)	(600)	-	-	-	-	(600)
Shares issued for cash	4,309,996	456,500	(3,000)	-	-	-	453,500
Share issuance costs	-	(7,556)	-	-	-	-	(7,556)
Share-based compensation	-	-	-	-	190,000	-	190,000
Net loss and comprehensive loss for the period	-	-	-	-	-	(250,477)	(250,477)
Balance, May 31, 2014	9,859,996	642,943	(3,000)	-	364,400	(578,706)	425,637

The accompanying notes are an integral part of these financial statements

INEXCO MINING CORP.
STATEMENTS OF CASH FLOWS
(Expressed in Canadian dollars)

	Seven months ended May 31, 2014	Year ended October 31, 2013	Year ended October 31, 2012	Period from incorporation to October 31, 2011
	$	$	$	$
CASH PROVIDED BY (USED IN):				
OPERATING ACTIVITIES				
Net loss for the period	(250,477)	(53,690)	(72,136)	(202,403)
Item not involving cash:				
Share-based compensation	190,000	-	-	174,400
	(60,477)	(53,690)	(72,136)	(28,003)
Changes in non-cash working capital balances:				
Amounts receivables	3,241	(423)	(11,049)	(2,796)
Accounts payable and accrued liabilities	(70,076)	10,978	66,257	31,409
Cash used in operating activities	(127,312)	(43,135)	(16,928)	610
INVESTING ACTIVITY				
Exploration and evaluation assets	(756)	(10,500)	(112,612)	(10,000)
Cash used in investing activity	(756)	(10,500)	(112,612)	(10,000)
FINANCING ACTIVITY				
Shares issued for cash	445,344	47,600	104,614	42,385
Cash provided by financing activity	445,344	47,600	104,614	42,385
CHANGE IN CASH	317,276	(6,035)	(24,926)	32,995
CASH, BEGINNING OF PERIOD	2,034	8,069	32,995	-
CASH, END OF PERIOD	319,310	2,034	8,069	32,995
SUPPLEMENTAL CASH DISCLOSURES				
Interest paid	-	-	-	-
Income taxes paid	-	-	-	-

The accompanying notes are an integral part of these financial statements

1. NATURE OF OPERATIONS

Inexco Mining Corp. ("the Company") was incorporated on May 11, 2011 under the laws of British Columbia. The address of the Company's corporate office and its principal place of business is Suite 1330 – 1075 West Georgia Street, Vancouver, British Columbia, Canada.

The Company's principal business activities include the acquisition and exploration of mineral property assets. As at May 31, 2014, the Company had not yet determined whether the property contains ore reserves that are economically recoverable. The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and the future profitable production from the properties or realizing proceeds from their disposition. The outcome of these matters cannot be predicted at this time and the uncertainties cast significant doubt upon the Company's ability to continue as a going concern.

The Company had a deficit of $578,706 as at May 31, 2014, which has been funded by the issuance of equity. The Company's ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs.

These financial statements do not give affect to any adjustments which would be necessary should the company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB").

The significant accounting policies used in the preparation of these financial statements are described below.

b) Basis of presentation

The financial statements have been prepared on the historical cost basis, with the exception of financial instruments which are measured at fair value, as explained in the accounting policies set out below. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

c) Cash and cash equivalents

Cash in the statements of financial position is comprised of cash in banks and on hand, and short term deposits with an original maturity of three months or less, which are readily convertible into a known amount of cash.

d) Exploration and evaluation assets

All costs related to the acquisition, exploration and development of mineral properties are capitalized. Upon commencement of commercial production, the related accumulated costs are amortized against projected income using the units-of-production method over estimated recoverable reserves.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Exploration and evaluation assets (continued)

Management annually assesses carrying values of non-producing properties and properties for which events and circumstances may indicate possible impairment. Impairment of a property is generally considered to have occurred if the property has been abandoned, there are unfavourable changes in the property economics, there are restrictions on development, or when there has been an undue delay in development, which exceeds three years. In the event that estimated discounted cash flows expected from its use or eventual disposition is determined by management to be insufficient to recover the carrying value of the property, the carrying value is written-down to the estimated recoverable amount.

The recoverability of mineral properties and exploration and development costs is dependent on the existence of economically recoverable reserves, the ability to obtain the necessary financing to complete the development of the reserves, and the profitability of future operations. The Company has not yet determined whether or not any of its future mineral properties contain economically recoverable reserves. Amounts capitalized to mineral properties as exploration and development costs do not necessarily reflect present or future values.

When options are granted on mineral properties or properties are sold, proceeds are credited to the cost of the property. If no future capital expenditure is required and proceeds exceed costs, the excess proceeds are reported as a gain.

e) Share-based compensation

Share-based payments to employees and others providing similar services are measured at the estimated fair value of the instruments issued on the grant date and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The amount recognized as an expense is adjusted to reflect the number of awards expected to vest. The offset to the recorded cost is to equity settled share-based payments reserve.

Consideration received on the exercise of stock options is recorded as share capital and the related equity settled share-based payments reserve is transferred to share capital. Charges for options that are forfeited before vesting are reversed from equity settled share-based payment reserve.

Share-based compensation expense relating to deferred share units is accrued over the vesting period of the units based on the quoted market price. As these awards can be settled in cash, the expense and liability are adjusted each reporting period for changes in the underlying share price.

f) Flow-through shares

The resource expenditure deductions for income tax purposes related to exploration and development activities funded by flow-through share arrangements are renounced to investors in accordance with Canadian tax legislation. On issuance, the premium recorded on the flow-through share, being the difference in price over a common share with no tax attributes, is recognized as a liability. As expenditures are incurred, the liability associated with the renounced tax deductions is recognized through profit and loss with a pro-rata portion of the deferred premium.

To the extent that the Company has deferred tax assets in the form of tax loss carry-forwards and other unused tax credits as at the reporting date, the Company may use them to reduce its deferred tax liability relating to tax benefits transferred through flow-through shares.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

g) Foreign currency

Transactions and balances in currencies other than the Canadian dollar, the currency of the primary economic environment in which the Company operates ("the functional currency"), are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at exchange prevailing on the statement of financial position date are recognized in the statement of comprehensive loss.

h) Decommissioning, restoration and similar liabilities

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the exploration or development of a mineral property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, along with a corresponding liability as soon as the obligation to incur such costs arises. The timing of the actual rehabilitation expenditure is dependent on a number of factors such as the life and nature of the asset, the operating license conditions and, when applicable, the environment in which the mine operates.

Discount rates using a pre-tax rate that reflects the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either the units-of-production or the straight-line method. The corresponding liability is progressively increased as the effect of discounting unwinds creating an expense recognized in profit or loss

Decommissioning costs are also adjusted for changes in estimates. Those adjustments are accounted for as a change in the corresponding capitalized cost, except where a reduction in costs is greater than the unamortized capitalized cost of the related assets, in which case the capitalized cost is reduced to nil and the remaining adjustment is recognized in profit or loss.

The operations of the Company have been, and may in the future be, affected from time to time in varying degree by changes in environmental regulations, including those for site restoration costs. Both the likelihood of new regulations and their overall effect upon the Company are not predictable.

The Company has no material restoration, rehabilitation and environmental obligations as the disturbance to date is immaterial.

i) Loss per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

j) Income taxes

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and includes any adjustments to tax payable or receivable in respect of previous years.

Deferred income taxes are recorded using the liability method whereby deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

j) Income taxes (continued)

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the statement of financial position date. Deferred tax is not recognized for temporary differences which arise on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting, nor taxable profit or loss.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

k) Financial assets

All financial assets are initially recorded at fair value and designated upon inception into one of the following four categories: held to maturity, available for sale, loans and receivables or at fair value through profit or loss ("FVTPL").

Financial assets classified as FVTPL are measured at fair value with unrealized gains and losses recognized through earnings. The Company's cash is classified as FVTPL.

Financial assets classified as loans and receivables and held to maturity assets are measured at amortized cost.

Financial assets classified as available for sale are measured at fair value with unrealized gains and losses recognized in other comprehensive income and loss except for losses in value that are considered other than temporary which are recognized in earnings. At May 31, 2014, the Company has not classified any financial assets as available for sale.

Transactions costs associated with FVTPL financial assets are expensed as incurred, while transaction costs associated with all other financial assets are included in the initial carrying amount of the asset.

l) Financial liabilities

All financial liabilities are initially recorded at fair value and designated upon inception as FVTPL or other financial liabilities.

Financial liabilities classified as other financial liabilities are initially recognized at fair value less directly attributable transaction costs. After initial recognition, other financial liabilities are subsequently measured at amortized costs using the effective interest rate method. The effective interest rate method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period. The Company's accounts payable are classified as other financial liabilities.

Financial liabilities classified as FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Derivatives, including separated embedded derivatives are also classified as held for trading and recognized at fair value with changes in fair value recognized in earnings unless they are designated as effective hedging instruments. Fair value changes on financial liabilities classified as FVTPL are recognized in earnings. At May 31, 2014, the Company has not classified any financial liabilities as FVTPL.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Significant accounting estimates

i. the assessment of indications of impairment of the mineral property and related determination of the net realizable value and write-down of the mineral property where applicable;

ii. the estimated value of the acquisition costs which are recorded in the statement of financial position; and

iii. the measurement of deferred income tax assets and liabilities.

Significant accounting judgments

i. the determination of categories of financial assets and financial liabilities; and

ii. the evaluation of the Company’s ability to continue as a going concern.

4. ADOPTION OF NEW OR AMENDED ACCOUNTING STANDARDS

On November 1, 2013, the Company adopted the following new accounting standards that were previously issued by the IASB:

IFRS 7 - *Financial Instruments: Disclosures*

IFRS 7 requires entities to provide additional information about offsetting of financial assets and financial liabilities that will enable users of financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with an entity's recognized financial assets and recognized financial liabilities, on the entity's financial position. The adoption of this IFRS did not impact the Company's financial statements.

IFRS 10 - *Consolidated Financial Statements*

IFRS 10 requires an entity to consolidate an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. IFRS 10 provides definition of control, focusing on the need to have power over the investee, exposure to variable returns from its involvement with the investee and the ability to use its power over the investee to affect its returns. The Company applied IFRS 10 at November 1, 2013, and did not have an impact on the financial statements

IFRS 11 – *Joint Arrangements*

The amendments of IFRS 11 reduce the types of joint arrangements to either joint ventures or joint operations. IFRS 11 requires the use of equity accounting for interests in joint ventures, eliminating the existing choice of proportionate consolidation for jointly controlled entities. Joint operations are arrangements where the venturer will recognize its share of the assets, liabilities, revenue and expenses of the joint operation. The Company applied IFRS 11 at November 1, 2013, and did not have an impact on the financial statements as the Company does not have any joint arrangements.

IFRS 12 – *Disclosure of Interests in Other Entities*

IFRS 12 establishes disclosure requirements for interests in other entities, such as joint arrangements, associates, special purpose vehicles and off balance sheet vehicles. The standard carries forward existing disclosures and also introduces significant additional disclosure requirements that address the nature of, and risks associated with, an entity's interests in other entities. The Company applied IFRS 12 at November 1, 2013, and did not have an impact on the financial statements as the Company does not currently have any interests in other entities.

IFRS 13 – *Fair Value Measurement*

IFRS 13 is a comprehensive standard for fair value measurement and disclosure requirements for use across all IFRS standards. The new standard clarifies that fair value is the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants, at the measurement date. It also establishes disclosures about fair value measurement. The Company applied IFRS 13 at November 1, 2013, and did not have an impact on the financial statements.

4. ADOPTION OF NEW OR AMENDED ACCOUNTING STANDARDS (continued)

IAS 1 - *Presentation of Financial Statements*

IAS 1 has been amended to require entities to separate items presented in other comprehensive income ("OCI") into two groups, based on whether or not items may be recycled to net income in the future. Entities that choose to present OCI items before tax will be required to show the amount of tax related to the two groups separately including prior year comparatives. The adoption of this IFRS did not impact the Company's financial statements.

Amendments to other standards

In addition, there have been other amendments to existing standards, including IAS 27 *Separate Financial Statements* and IAS 28 *Investments in Associates and Joint Ventures*. IAS 27 addresses accounting for subsidiaries, jointly controlled entities and associates in non-consolidated financial statements. IAS 28 has been amended to include joint ventures in its scope and to address the changes in IFRS 10 to IFRS 13.

IFRIC 20 – *Stripping Costs in the Production Phase of a Surface Mine*

IFRIC 20 addresses the accounting for overburden waste removal (stripping) costs in the production phase of a surface mine. Stripping activity may result in two types of benefits: i) inventory produced and ii) improved access to ore that will be mined in the future. Stripping costs associated with inventory production should be accounted for as a current production cost in accordance with IAS 2 Inventories, and those associated with improved access to ore should be accounted for as an addition to, or enhancement of, an existing asset. The Company applied IFRIC 20 at November 1, 2013, and did not have an impact on the financial statements as the Company is not yet in production phase.

5. NEW ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

Standards issued, but not yet effective, up to the date of issuance of the Company's financial statements are listed below. This listing of standards and interpretations issued are those that the Company reasonably expects to have an impact on disclosures, financial position or performance when applied at a future date. The Company intends to adopt these standards when they become effective.

New accounting standards effective for annual periods on or after November 1, 2014:

IAS 32 - *Financial Instruments: Presentation*

In December 2011, the IASB issued an amendment to clarify the meaning of the offsetting criterion and the principle behind net settlement, including identifying when some gross settlement systems may be considered equivalent to net settlement. Earlier application is permitted when applied with corresponding amendment to IFRS 7.

IAS 36 – *Impairment of Assets*

In May 2013, the IASB, as a consequential amendment to IFRS 13 *Fair Value Measurement*, modified some of the disclosure requirements in IAS 36 regarding measurement of the recoverable amount of impaired assets. The amendments resulted from the IASB's decision in December 2010 to require additional disclosures about the measurement of impaired assets (or a group of assets) with a recoverable amount based on fair value less costs of disposal.

5. NEW ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE (continued)

IFRIC 21 – *Levies*

IFRIC 21 provides guidance on when to recognize a liability for a levy imposed by a government, both for levies that are accounted for in accordance with IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* and those where the timing and amount of the levy is certain.

New accounting standards effective for annual periods on or after November 1, 2016:

IAS 16 – *Property, Plant and Equipment* and IAS 38 – *Intangible Assets*

In May 2014, the IASB issued amendments to IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets. The amendments clarify that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset. The amendments also clarifies that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. This presumption, however, can be rebutted in certain limited circumstances.

The IASB has tentatively decided that the following standard will be effective for annual periods on or after November 1, 2018:

IFRS 9 - *Financial Instruments*

In November 2009, as part of the IASB project to replace IAS 39 Financial Instruments: Recognition and Measurement, the IASB issued the first phase of IFRS 9 Financial Instruments, that introduces new requirements for the classification and measurement of financial assets. The standard was revised in October 2010 to include requirements regarding classification and measurement of financial liabilities.

The extent of the impact of adoption of these standards and interpretations on the financial statements of the Company has not been determined.

6. EXPLORATION AND EVALUATION ASSETS

	Acquisition Costs $	Exploration expenses $	Total $
Balance, October 31, 2011	10,000	-	10,000
Other exploration costs	-	122,197	122,197
Balance, October 31, 2012	10,000	122,197	132,197
Other exploration costs	-	915	915
Balance, October 31, 2013	10,000	123,112	133,112
Other exploration costs	-	756	756
Balance, May 31, 2014	10,000	123,868	133,868

6. EXPLORATION AND EVALUATION ASSETS (continued)

Colby Mines Group

Pursuant to an amended and restated Option Agreement entered into with Rich River Exploration Ltd. and Craig Alvin Lynes, collectively, the "Optionors", the Company was granted an option to acquire a 100% undivided interest in the Colby Mines Group (the "Property") comprised of eighteen mineral claims located in Enderby, British Columbia. The amended and restated Option Agreement was dated June 16, 2014 (Note 12).

To earn the 100% interest, the Company agreed to pay $75,000 and issue 100,000 common shares of the Company to the Optionors as follows:

a) Share issuances

100,000 shares	Upon listing

b) Cash Payments

$	10,000	Upon execution of the Option Agreement; (paid)
	25,000	Upon listing;
	15,000	On or before the third anniversary of listing; and
	25,000	On or before the fourth anniversary of listing;
$	75,000	Total payments

Further the Company is required to incur total exploration expenditures of $850,000 as follows:

c) Expenditures

$	100,000	On or before twelve months after the date of execution of the Option Agreement; (complete)
	50,000	On or before the first six months of listing
	300,000	On or before the third anniversary of listing; and
	400,000	On or before the fourth anniversary of listing;
$	850,000	Total expenditures

The Optionor will retain a 3% Net Smelter Returns royalty on the Property. The first 2% of the royalty may be purchased by the Company at $500,000 for each 1%. The purchase of the remaining 1% is negotiable after commercial production commences.

7. SHARE CAPITAL

a) Authorized:

The Company is authorized to issue an unlimited number of common shares without par value.

b) Share Split:

On January 14, 2014, the Company recorded a two-for-one share split on the Company's issued and outstanding common shares. All share and per share information included in the financial statements and accompanying notes have been adjusted to reflect this share split for all periods presented.

c) Escrow Shares:

There were 2,621,167 common shares held in escrow as at May 31, 2014. 10% of the escrowed common shares will be released from escrow upon the Company being listed on a Canadian stock exchange and the remainder in six equal tranches of 15% every six months thereafter for a period of 36 months. These escrow shares may not be transferred, assigned or otherwise dealt without consent of the regulatory authorities.

d) Issued and Outstanding as at May 31, 2014: 9,859,996 common shares.

(i) On May 31, 2014, the Company issued 2,309,996 common shares at a price of $0.15 per share, raising gross proceeds of $343,500. $3,000 in share subscriptions remain outstanding as at May 31, 2014.

(ii) On January 15, 2014, the Company issued 2,000,000 common shares at a price of $0.055 per share, raising gross proceeds of $110,000. The fair value of the 2,000,000 common shares issued was estimated to be $300,000. Accordingly, the Company recorded share-based compensation expense of $190,000 and a corresponding increase to contributed surplus.

(iii) On January 10, 2014, the Company cancelled 1,200,000 common shares that were originally issued during the period ended October 31, 2011 at price of $0.0005 per share.

(iv) During the year ended October 31, 2012, the Company issued 3,550,000 common shares at a price of $0.055 per share, raising gross proceeds of $195,250 of which $105,050 was received during the year ended October 31, 2012, $44,000 was received during the period ended October 31, 2011 and the remaining $46,200 was received during the year ended October 31, 2013. 1,800,000 common shares were issued on a flow-through basis.

As at May 31, 2014, all exploration expenditures related to the flow-through shares had been incurred, and the Company renounced expenditures of $33,000 and $66,000 on December 31, 2011 and 2012 respectively. For the purposes of calculating the tax effect of any premium related to the issuance of the flow-through shares, management reviewed the price per share in a recent non flow-through financing and compared it to the price used in this issuance and determined that there was no premium.

(v) During the period ended October 31, 2011, the Company issued 3,200,000 common shares at a price of $0.0005 per share, raising gross proceeds of $1,600 of which $200 was received during the period ended October 31, 2011 and the remaining $1,400 was received during the year ended October 31, 2012. The fair value of the 3,200,000 common shares issued was estimated to be $176,000. Accordingly, the Company recorded share-based compensation expense of $174,400 and a corresponding increase to contributed surplus.

8. RELATED PARTY BALANCES AND TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

The following amounts are due to related parties and have been included in accounts payable and accrued liabilities:

	May 31, 2014	**October 31, 2013**	**October 31, 2012**
	$	$	$
Accounts payable and accrued liabilities	5,880	96,199	90,160

The amounts are due to companies controlled by former directors of the Company. The amounts are non-interest bearing, unsecured and are due upon demand.

The Company had the following related party transactions:

	Seven months ended May 31, 2014	**Year ended October 31, 2013**	**Year ended October 31, 2012**	**Period from incorporation to October 31, 2011**
	$	$	$	$
Rent	1,500	9,000	9,000	3,000
Accounting fees	4,400	4,350	1,200	-

Rent and accounting fees are paid to companies controlled by former directors of the Company.

Key management personnel receive compensation in the form of short-term employee benefits. Key management personnel include the President and directors of the Company. The remuneration of key management is as follows:

	Seven months ended May 31, 2014	**Year ended October 31, 2013**	**Year ended October 31, 2012**	**Period from incorporation to October 31, 2011**
	$	$	$	$
Management fees	3,000	35,000	60,000	20,000

Management services were provided by companies owned by two former directors of the Company.

9. INCOME TAXES

The Company has losses carried forward of $191,000 available to reduce income taxes in future years which expire between 2031 and 2034.

The Company has not recognized any deferred income tax assets. The Company recognizes deferred income tax assets based on the extent to which it is probable that sufficient taxable income will be realized during the carry forward periods to utilize all deferred tax assets.

The following table reconciles the amount of income tax recoverable on application of the statutory Canadian federal and provincial income tax rates:

	Seven months ended May 31, 2014	Year ended October 31, 2013	Year ended October 31, 2012	Period from incorporation to October 31, 2011
Canadian statutory income tax rate	26.00%	25.58%	25.00%	26.5%
Income tax recovery at statutory rate	$ 65,124	$ 13,734	$ 18,034	$ 53,627
Effect of income taxes of:				
Permanent differences	(47,436)	-	110	(45,727)
Change in tax rates and other	-	(52)	394	(148)
Renunciation of flow through shares	-	(16,883)	(8,250)	-
Change in deferred tax assets not recognized	(17,688)	3,201	(10,288)	(7,752)
Deferred income tax recoverable	$ -	$ -	$ -	$ -

The temporary differences that give rise to significant portions of the deferred tax assets not recognized are presented below:

	May 31, 2014	October 31, 2013	October 31, 2012
Non-capital loss carry forwards	$ 56,558	$ 40,324	$ 26,248
Mineral properties	(25,740)	(25,740)	(8,580)
Share issuance costs	1,711	257	374
Deferred tax assets not recognized	(32,529)	(14,841)	(18,042)
	$ -	$ -	$ -

10. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the sourcing and exploration of its resource property. The Company does not have any externally imposed capital requirements to which it is subject.

The Company considers the aggregate of its share capital, contributed surplus and deficit as capital. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or dispose of assets or adjust the amount of cash.

The Company expects its current capital resources will be sufficient to carry its acquisition plans and operations through its current operating year.

11. FINANCIAL INSTRUMENTS AND FINANCIAL RISK

International Financial Reporting Standards 7, *Financial Instruments: Disclosures*, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair Value of Financial Instruments

The Company's financial assets include cash and are classified as Level 1. The carrying value of these instruments approximates their fair values due to the relatively short periods of maturity of these instruments.

Assets measured at fair value on a recurring basis were presented on the Company's statements of financial position are as follows:

	Fair Value Measurements Using			
	Quoted Prices in Active Markets For Identical Instruments (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
May 31, 2014:				
Cash	$ 319,310	$ –	$ –	$ 319,310

11. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

Fair value

The fair value of the Company's financial instruments approximates their carrying value as at May 31, 2014 because of the demand nature or short-term maturity of these instruments.

Financial risk management objectives and policies

The Company's financial instruments include cash and accounts payable. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(i) *Currency risk*

The Company's expenses are denominated in Canadian dollars. The Company's corporate office is based in Canada and current exposure to exchange rate fluctuations is minimal.

The Company does not have any significant foreign currency denominated monetary liabilities. The principal business of the Company is the identification and evaluation of assets or a business and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval and acceptance by regulatory authorities.

(ii) *Interest rate risk*

The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits. The fair value interest rate risk on bank deposits is insignificant as the deposits are short-term.

The Company has not entered into any derivative instruments to manage interest rate fluctuations.

(iii) *Credit risk*

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk the Company places these instruments with a high quality financial institution.

(iv) *Liquidity risk*

In the management of liquidity risk of the Company, the Company maintains a balance between continuity of funding and the flexibility through the use of borrowings. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations.

12. SUBSEQUENT EVENTS

a) On June 9, 2014, the Company adopted an incentive stock option plan (the "Option Plan ") which provides the Board of Directors of the Company may from time to time, in its discretion, and in accordance with regulations, grant to directors, officers, employees and consultants non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares at the time of the grant. Such options will be exercisable for a period of up to ten years from the date of grant.

12. SUBSEQUENT EVENTS (continued)

b) On June 10, 2014, the Company granted options to directors and officers to purchase up to 800,000 common shares of the Company at a price of $0.15 per share for a period of 5 years.

c) On June 16, 2014, the Company entered into an amended and restated Option Agreement with Rich River Exploration Ltd. and Craig Alvin Lynes. The terms of the amended and restated Option Agreement are disclosed in Note 6.

C-1
CERTIFICATE OF INEXCO MINING CORP.

Dated: July 3, 2014

This Prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by securities legislation of British Columbia.

"Craig Engelsman"
Craig Engelsman
President and Chief Executive Officer

"Quinn Field-Dyte"
Quinn Field-Dyte
Chief Financial Officer and Secretary

ON BEHALF OF THE BOARD OF DIRECTORS

"Robert Birmingham"
Robert Birmingham
Director

"Stephen B. Butrenchuk"
Stephen B. Butrenchuk
Director

CERTIFICATE OF PROMOTERS

Dated: July 3, 2014

This Prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus as required by securities legislation of British Columbia.

"Craig Engelsman"
Craig Engelsman
Promoter

"Quinn Field-Dyte"
Quinn Field-Dyte
Promoter