Goldbase

MARITIMES GOLD

DOCUMENT

NI 43-101 Independent Technical Report

PROPERTY

Caribou Gold Property

Halifax County,
Nova Scotia

PREPARED BY

Guy Mac Gillivray P. Geo.

Caribou Gold Property Ownership

2025

GoldBase Digital Ltd

GoldBase Digital Ltd acquired 100% of Maritimes Gold Corp. (the exclusive contractual option to buy 100% of the Caribou Gold Property remains with Maritimes Gold Corp.)

2025

Maritimes Gold Corp.

Maritimes Gold Corp. acquired exclusive contractual option to buy 100% of the Caribou Gold Property from MegumaGold Corp.

2024

Maritimes Gold JV Corp.

Maritimes Gold JV Corp. acquired 100% of the Caribou Gold Property via a joint venture between MegumaGold Corp. and Maritimes Gold Corp.

2020

MegumaGold Corp.

MegumaGold Corp. acquired 100% of Osprey Gold Development Ltd.

2017

Osprey Gold Development Ltd

Osprey Gold Development Ltd acquired 100% of Crosby Gold Ltd (the new owner of the Caribou Gold Property).

Pre-2010

Scorpio Gold Corporation & Cincoro Capital Corporation

This NI 43-101 Technical Report for the Caribou Gold Property was prepared for Scorpio Gold Corporation and Cincoro Capital Corporation.

NI 43-1 01 Technical Report

For the

Caribou Gold Property

Upper Musquodoboit, Halifax County, Nova Scotia,

N.T.S.: 11- E / 2B.

Prepared for

Scorpio Gold Corporation and Cincoro Capital Corporation

October 8, 2008 - Report 2008-004a

Prepared by: Guy Mac Gillivray, P.Geo.

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1.0 SUMMARY

At the request of Scorpio Gold Corporation, (Scorpio Gold), and Cincoro Capital Corp., (Cincoro), the author has been contracted to conduct an up to date NI43-101 review of the Caribou Gold Property (the "Property") located 80 kilometers northwest of the City of Halifax, Halifax County, Nova Scotia. The property contains a known gold deposit which was sporadically mined between 1860 and 1955. Historic records as outlined in W. Malcolm “Gold Fields of Nova Scotia” and production figures recorded by and on file at the Nova Scotia Department of Natural Resources, Halifax, Nova Scotia, indicate the property was mined to a vertical depth of 240 meters producing 108,250 ozs. of gold, equivalent to 450 ozs. gold per vertical meter. Advanced exploration programs were completed on the property between 1986 and 1990 by Seabright Resources Ltd. and Antioch Resources Ltd. Historical resource estimates for the Caribou Property are not reliable. In January 2007 the author released a NI43-101 resource report which outlined an Inferred resource of 350,305 tonnes grading 8.81 g/t gold (uncut) or 94,763 contained ozs. of gold equivalent to 12,285 grams of gold per vertical meter. Using a statistical cut-off grade for gold at 47 g/t, the Inferred resource for the property is 350,305 tonnes grading 5.88 g/t gold, or 67,425 contained ozs. of gold equivalent to 8,710 grams of gold per vertical meter.

In 2007 Scorpio Gold completed baseline environmental water studies, limited geological modeling, mapping and diamond drilling on the property with expenditures totaling $611,839. Environmental work was directed at addressing water quality conditions on the property preparatory to applying for a dewatering permit. Drilling targeted a number of areas as defined by geological modeling and mapping. A total of eight HQ size holes totaling 698 meters were completed, but due to a lack of financial resources, the core was never completely logged or assayed. The core remains sealed and on site. Environmental work indicates high levels of arsenic in brooks which drain from Bunker Lake and elevated levels in mine water collected from the Holman shaft. Any application permit with respect to de-watering the mine workings will have to address this issue.

The author’s scope of work for this technical report was to complete a compilation of past exploration work on the property, provide an update on work completed by Scorpio Gold in 2007 and make recommendations if warranted.

An advanced surface and underground exploration program is recommended for the property. Surface work would focus on sampling high grade veins and infill drilling of auriferous stock-work mineralization in the hanging wall, the crest of the anticline and below the mined out Main Zone. Underground exploratory work will consist of test sampling the high grade bedded veins and the larger stock-work zones to determine grade widths, and continuity. The objective of the program would be to outline a sufficient gold resource to advance the property towards a production stage.

1.1 Property Description

The Caribou Property is comprised of 16 contiguous claims covering approximately 256 hectares and encompassing 5 shallow shafts, from which gold was produced, up until Cominco Mines Ltd. closed the mines in 1955. The claim group is located at Caribou Mines, approximately 80-km northeast of the City of Halifax, Nova Scotia and 10 km south of the rural community of Upper Musquodoboit, in Halifax County. Approximately 80% of the surface rights are held by the Province of Nova Scotia, the remaining 20% is owned by private land owners. Surface right /access rights have been acquired to complete preliminary exploration work planned for the privately owned property. Exploration permits to explore on and access crown lands must be applied for on an annual basis. Both the area in which the inferred resource is outlined and mine workings are on crown land.

1.2 Location

The property is located approximately 80-km northeast of Halifax and 10 km south of the rural community of Upper Musquodoboit, in Halifax County. The claim block is centered on latitude 45 degrees, 4 minutes and longitude 62 degrees, 57 minutes. Access is by good quality secondary road from Upper Musquodoboit and an extensive system of forestry roads provides generally good access to the property.

1.3 Ownership

As part of the acquisition of Scorpio Gold by Cincoro, which will constitute a “Qualifying Transaction” (“the “QT”) as defined under the policies on the TSX Venture Exchange for Cincoro. Cincoro, has agreed to issue to the Scorpio Gold shareholders a total of 30,255,764 common shares in consideration, for all of the common shares of Scorpio Gold. Upon completion of the QT Scorpio Gold will become a wholly-owned subsidiary of Cincoro.

Scorpio Mining Corporation (Scorpio) by means of an option agreement with John Logan Enterprises Ltd., had the option to acquire a 100 percent registered and beneficial interest in the 16 exploration claims, collectively known as the Caribou Property. On August 9th, 2007 Scorpio vended its gold assets to Scorpio Gold in return for an equity position in the Company. As such Scorpio Gold has taken over the option on the property under the same terms. Upon completion of the QT between Cincoro and Scorpio Gold, Scorpio Gold will become a wholly-owned subsidiary of Cincoro and it will continue to be bound by the option on the Caribou property under the same terms.

The exploration claims have been held by John Logan Enterprises Ltd since 1980. As part of the option agreement, the property will be subject to Net Smelter Royalty payments, as described in section 4.3. There are no other obligations except those to the provincial government as defined in the Nova Scotia Mining Act.

1.4 Geology and Mineralization

The Caribou Property is underlain by folded Cambrian-Ordovician age sedimentary sequences of the Meguma Group that have been intruded extensively by granite and granodiorite of Mid-Devonian age. Two formations comprise the Meguma Group, the greywacke-dominated Goldenville Formation occurring conformably below the slate and predominantly argillite Halifax Formation. The Goldenville Formation is believed to include at least 5,600 meters of sediments, while Halifax Formation thickness is estimated to be at least 4400 meters. The geological model is lode gold mineralization, the result of folding and fracturing which increases permeability and thickens beds at the crest of folds. Mineralizing fluids moving along the permeable crest fill the openings and replace favorable rocks nearby. Gold may also be remobilized into bedded leads and or shear stock-work zones related to cross cutting structures. The resultant mineralized bodies are piped shaped, and where situated above one another, are called saddle reefs. Excellent examples of saddle reefs are the well known Bendigo gold field, Victoria, Australia, and many of the Meguma hosted lode gold deposits of Nova Scotia. Mineralization on the Caribou Gold Property occurs in two main deposit styles, bedding parallel quartz veins and flexure-associated quartz stock-work zones with or without related fissure veining. A third type is also present in the form of cross veins or "angulars" but these are insignificant in their contribution to the area's total gold production. Arsenopyrite, pyrite, pyrrhotite, galena, chalcopyrite, and sphalerite are commonly found associated with the auriferous zones.

1.5 Exploration and Data Compilation

Exploration on the property to date is limited to several site visits to accurately locate shafts and tailings piles and collect baseline water sample data. Data compilation has been completed for surface and underground geological mapping, underground sampling, surface and underground core drilling. The database for the Caribou deposit consists of 318 holes and 1,599 underground chip samples taken from auriferous veins. The average drill-hole spacing is approximately 25 metres.

The author has reviewed the geological logging and sampling methods, sample preparation, assaying, specific gravity determination method, and quality assurance/quality control (QA/QC) procedures used by previous operators on the property.

1.6 Resources and Reserve Estimation

A historical resource estimate was conducted for the Caribou Gold Deposit, by Mr. I. Parrish, of Antioch Resources in February, 1989. Parish utilized information provided in previous reports and the results of the 1986 – 1989 core drilling programs to produce a resource estimate for the deposit. The estimate is not reliable as is does not follow the prescribed terminology and information provided on data collection, sample method and approach, analyses, and security is limited. The author is not aware of any other historical resource estimates completed on the property.

The Resource Estimate completed by the author for Scorpio Mining Corporation titled, "Technical Report – For the Caribou Property, Upper Musquodoboit, Halifax County, Nova Scotia, report 2006-004, October 2006" used Surpac Vision software and employed the polygonal resource estimate method. Grade calculations were completed using weighted averages from a minimum of 3 and maximum of 15 samples. Volumes for the polygons were calculated by Surpac Vision software and tonnage was determined using a specific gravity of 2.65. Because of the nature of Meguma gold deposits, nugget effects, and poor gold grade continuity even at a drilling spacing of 25 meters, all of the estimated resource was placed into the Inferred category. The Inferred Resource Estimate for the Caribou Property using uncut gold assays is 350,305 tonnes grading 8.41 g/t gold, or 94,763 contained ozs. of gold. Using a statistical cut-off for gold of 47 g/t, the inferred resource for the property is 350,305 tonnes grading 5.83 g/t gold, or 67,425 oz/ton. Utilizing uncut gold assays the Caribou Gold Deposit contains an estimated 12,285 grams per tonne gold per vertical meter and using cut assays it contains 8,710 grams per tonne gold per vertical meter.

2.0 INTRODUCTION

Scorpio Gold Corporation, (Scorpio Gold) and Cincoro Capital Corp. (Cincoro) have requested the author to conduct a comprehensive review of the Caribou Property (the "Property") located in Upper Musquodoboit, Halifax County, Nova Scotia. Past gold production for the property totals 108,250 oz of gold from material with an average grade of 0.458 oz /ton gold. The last exploration work on the property was completed by Scorpio Gold during the summer of 2007.

2.1 Terms of Reference

The author's scope of work for the technical review focused on a detailed review of historical mining and exploration data, review of an Inferred Resource Estimate for the property and a recommendation for future work programs.

2.2 Purpose of Report

The purpose of this report is to serve as an independent audit of past exploration work on the property and provide recommendations for additional exploration surveys on the property. The author's report can serve as an independent report prepared by a Qualified Person as defined by the Canadian National Instrument 43-101 and companion policy 43101 CP.

2.3 Sources of Information

The main sources of information used in preparing this report are listed below. A complete list of references is provided in Section 15 of this report.

- Atkinson P., Internal Report, John Logan Enterprises, Independent Resource Calculation – Summary by CPGS #4612, Caribou Gold Mine, for Antioch Res., 1989.
- Atkinson, P. H., Assessment Report ME 1990-89, Underground Exploration and Development, and Metallurgical Testing, for the Period June 1, 1989, To May 31, 1990 , 1990, Caribou, Halifax County, Nova Scotia.
- Bamwoya, J. J., Assessment Report ME 199 1-70, Report on the Recovery of Gold By Cyanidation of the Sulphide Tailings from a Gravity Concentration Circuit at the Logan Mine , 1991, Gold, Caribou, Halifax County, Nova Scotia.
- Cullen, M. P. Assessment Report ME 1988-275, Report on Exploration and Mining Histories, Prospecting and Geological Mapping, Soil and Till Geochemical Surveys,

Magnetic, VLF-EM and IP Surveys, Drilling and Drill Core Assays , Gold, Caribou, Halifax County, Nova Scotia 1988.

- Cullans M., John Logan Enterprises Report on underground drilling, surface drilling, mapping and geophysical surveys, Caribou Gold Mine, Halifax County, Seabright Res., 1988.
- Logan John, Caribou Project Historical Files – A collection of old reports on the Caribou Mine, Halifax County, Nova Scotia, Seabright Res., 1988, Internal Report, John Logan Enterprises.
- Mac Gillivary, Guy, October 2006, report 2006-004, Technical Report – Caribou Property Halifax County, Nova Scotia.
- Malcolm W., Gold Fields of Nova Scotia, 1929, G.S.C., Memoir 385.
- Roebuck, Steven, August 2007, internal office memo outlining work performed by Scorpio Gold Corporation during the summer of 2007.
- Tully John, Internal Report, John Logan Enterprises, Underground Drilling Program Caribou Gold Mine, Antioch Res., 1989.
- Tully J.V., Assessment Report. ME 1989-197, Report on Underground Exploration and Development, for the Period January 1, 1989 To June 30, 1989, Gold, Caribou, Halifax County, Nova Scotia.
- Tilsley, J. E.,Assessment Report ME 1984-57, Report on the Exploration Potential of the Holman Mine Area, 1984, Gold, Caribou, Halifax County, Nova Scotia.

2.4 Data Gathering and Site Visit by the Author

Guy Mac Gillivray, P. Geo., completed 9 site visits to the property between September 15, 2005 and November 15, 2007. The initial visit was to inspect the capped shafts and rock exposures, and drill core and to talk with the property owner, Mr. John Logan. The author's most recent visit to the property was made on November 15, 2007. By reason of his education, experience, and affiliation with professional associations (Professional Engineers and Geoscientists of Newfoundland and Labrador), Mr. Mac Gillivray fulfills the requirements for conducting a technical review for purposes of NI 43-101.

2.5 Units and Abbreviations

For the purpose of this report, all common measurements are given in metric units. All tonnage shown are in metric tonnes of 1,000 kilograms, and precious metal values are given in grams or grams per metric tonne. To

convert to English units, the following factors should be used:

Conversion Factors

Length: 1 micron = 1 micrometer, 1 millimetre = 1000 micrometres = 0.0394 inches, 1 centimetre = 0.394 inches, 1 meter = 3.28 1 feet, 1 kilometre = 0.62 14 miles.

Area: 1 hectare = 2.471 acres, 1 hectare = 10,000 square metres, 1 square kilometre = 100 hectares = 247.1 acres = 0.386 square miles.

Mass: 1 kilotonne = 1,000 metric tonnes, 1 megatonne = 1,000,000 metric tones, 1 metric tonne = 0.984 long tons, 1 metric tonne = 1.1023 short tons (1 short ton = 2,000 pounds), 1 metric tonne = 1,000 kilograms, 1 kilogram = 1,000 grams, 1 kilogram = 2.205 pounds, 1 kilogram = 35.274 ounces = 32.151 troy ounces 1 troy ounce = 3 1.103 grams, 1 troy ounce per short ton = 34.286 grams per tonne,

1 part per million = 1 gram per tonne = 1,000 parts per billion, 1 milligram = 0.00 1 gram 35.274 x 10-6 ounces, 1 millilitre = 0.001 litre = 0.352 fluid ounces.

Table 2-5, below, provides a list of abbreviations used in this report.

Table 2-5 Abbreviations used in report

Abbreviation	Unit or Term
el	elevation
GPS	global positioning systems
ha	hectare
kg	kilogram
km	kilometre
kV	kilovolt
lb	pound
m	meter
m.a.s.l	metres above sea level
Scorpio	Scorpio Mining Corporation
Pb	lead
ppb	parts per billion
ppm	parts per million
Project	Caribou Property
QA	quality assurance
QC	quality control
RQD	rock quality design
oz	ounce
SCC	Standards Council of Canada
W.G. Shaw	W.G. Shaw and Associates Ltd.
N.S.D.M.	Nova Scotia Department of Mines
Std. Dev.	standard deviation

2.6 Authorization

The author was commissioned by Peter J. Hawley, Chairman & CEO of Scorpio Gold Corporation, a private company controlled by Scorpio Mining Corporation which is a publicly traded company who shares are traded under the symbol of SPM on the Toronto Stock Exchange, and by Andrew Lee Smith, CEO, of Cincoro Capital Corporation which is a publicly traded company whose shares are traded under the symbol of FIV.P on the TSX Venture Exchange, to complete a detailed review of the history and work on the property, make recommendations for further exploration, and provide an update on Scorpio Gold's 2007 exploration work, meeting the requirements of National Instrument 43-101 Standards of Disclosure For Mineral Projects (NI 43 101), for the Caribou Property.

3.0 RELIANCE ON OTHER EXPERTS

The report, entitled NI 43-101 Technical Report for the Caribou Gold Property, Upper Musquodoboit, Nova

Scotia, dated October 8, 2008, was prepared by the author, Guy Mac Gillivary, P. Geo.

The opinions and conclusions presented in this report are based largely on the data provided to the author during site visits, assessment reports obtained from the Nova Scotia Department of Mines and Energy and data provided by Mr. John Logan, Scorpio Mining Corporation and Scorpio Gold Corporation. A large percentage of the data used in this report is archived information and not within the control of the author. It is believed by the author that the information contained herein is reliable under the conditions and subject to the qualifications set forth in this report. The author makes no expressed or implied warranties regarding the accuracy of the source information used. The author has not conducted a legal review of ownership or property boundaries, and has relied on information supplied by Mr. John Logan on land ownership.

4.0 PROPERTY LOCATION AND DESCRIPTION

The property location, description and ownership are presented in this section of the report.

4.1 Property Location

The Caribou property is located 10 km south of the rural community of Upper Musquodoboit (N.T.S. 1 1-E - 2B) and approximately 80 km north-east of city of Halifax. It is situated in Halifax County, Nova Scotia and within UTM zone 20, (Nad 83), and its center is located at 4989453N and 504593E. All the claims lie within the municipality of Upper Musquodoboit, and are administered by the Nova Scotia Department of Natural Resources, Halifax, N.S. The location of the Caribou property is shown in Figures 1 and 2.

4.2 Property Description

The property contains 16 exploration claims held under mineral License Number 06164, which cover an area of 256 hectares. All of the claims are contiguous and as of June 8, 2008, the license is in the 28th year of renewal. Mineral claim boundaries are located by latitude and longitude in Nova Scotia. Claims boundaries are paper staked and recorded with the Department of Mines and Energy, Halifax, Nova Scotia. Prior to any mining activity, a mining permit and a surveyed surface lease are required. Both the area in which the resource is outlined and the mine workings are located on crown land. A summary description of the claims block is provided in Table 4-1 below. The locations of the claims boundaries are shown in Figure 3.

Table 4-1 Summary Claim Description - Caribou Property

Anniversary Date	License Number	Year of issue	Year	(NTS)	Tract Number	Claims	Excess work Credits	2007 work Credits
June 8,2009	O6164	2005	28	11 E/2B	3	K,LOP,Q		
				11 E/2B	40	N		
				11 E/2B	57	CDEF		
				11 E/2B	58	ABGH, JK		
Totals						**16**	**$3,257,856**	**$611,843**

Exploration licenses in Nova Scotia have to be renewed annually, on or before anniversary dates. The renewal fee for the Caribou Property, which is in its 28th year of renewal, is $174.13 per claim or $2786.08. In addition, annual work commitments of $780.8 per claim or $12,492.8 are also required. At present the Caribou Property has $3,257,856 of banked assessment credits, which will be more than sufficient to cover annual work commitments for many years into the future.

Eighty percent (80%) of the property is located on Crown land, while twenty (20%) percent is privately held. Surface rights are controlled and owned by the surface land owners and permission is required prior to working on any ground. Permits to conduct exploration work on Crown land are available from the Nova Scotia Department of Land and Forest, but must be applied for on an annual basis. Permission to work on private land will be required prior to working private land.

The Caribou Mine Site, which includes Holman Shaft, is located on Crown land. Prior to the initiation of a mining project, the company must obtain.

- A Mining Lease
- A Mining Permit
- A Milling Permit
- An Industrial Permit
- A "no objection" sign off by the Occupational Health and safety Division of the NSDEL (Department of Environment and Labour)
- A water withdrawal permit from NSDEL if water withdrawn for the plant exceeds 23,000 litres per day;
- Building and occupancy permits from the Municipal authorities.

Cominco ceased operations on the property in 1947 and all of the mining and milling equipment was removed from the property. Advanced exploration work was completed by several companies between 1988 and 1998 and some of the equipment from this work is presently in storage in the Upper Musquodoboit area. All

structures, with the exception of the core shed have been removed from the property.

Five shafts have been identified on the property and include the Holman Shaft, the Nova Scotia Mine Shaft, the Dixon Shaft, the Elk Shaft, and the Truro Mine Shaft. The Holman Shaft and the Nova Scotia Mine Shaft are capped, while the condition of the other three is unknown. Numerous other exploration trenches and test pits occur on the property and will have to be secured prior to starting any work on the property.

Approximately 75,000 tons of tailing produced from historic operations, were deposited and remain in the northwest corner of Bunker Lake. The waste material contains various sulphides, including pyrite, galena, pyrrhotite, chalcopyrite, sphalerite, and arsenopyrite. Although tailings dumps are small, they should be tested, to insure there are no environmental issues to be addressed. Preliminary water samples from mine water and drainage downstream of Bunker Lake indicates elevated levels of arsenic.

In the late 1970's the Nova Scotia Department of Transportation removed approximately 50,000 tonnes of tailings material from a storage area immediately east of the Holman shaft and used it for gravel road construction in Northeast Halifax County.

Scorpio Gold is not aware of any other environmental liabilities and assumes no responsibilities regarding the tailings since they were present prior to the company's involvement with the property.

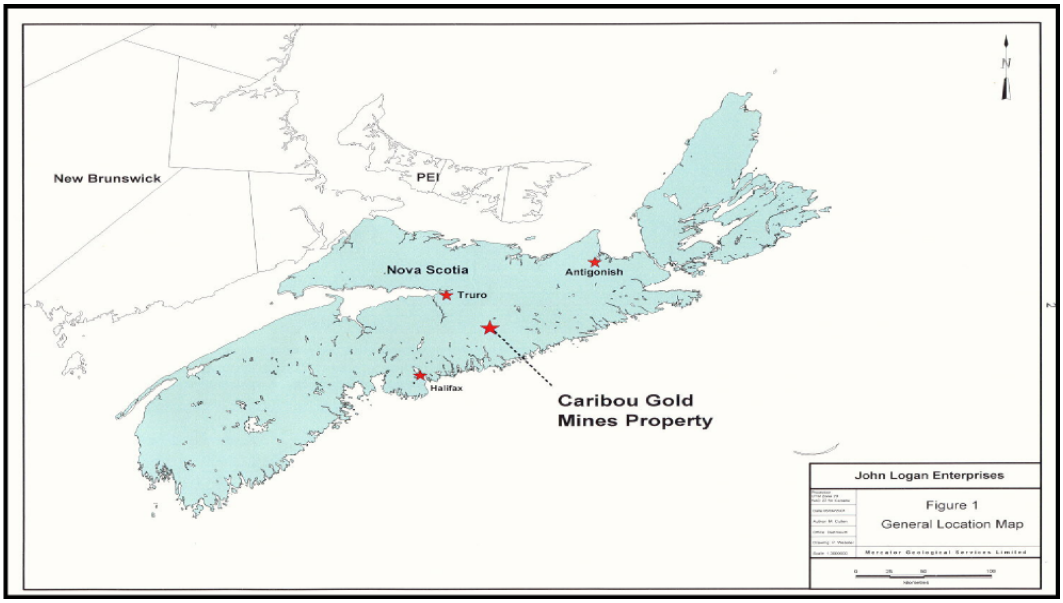

Figure 1 Regional Location Map - Caribou Property

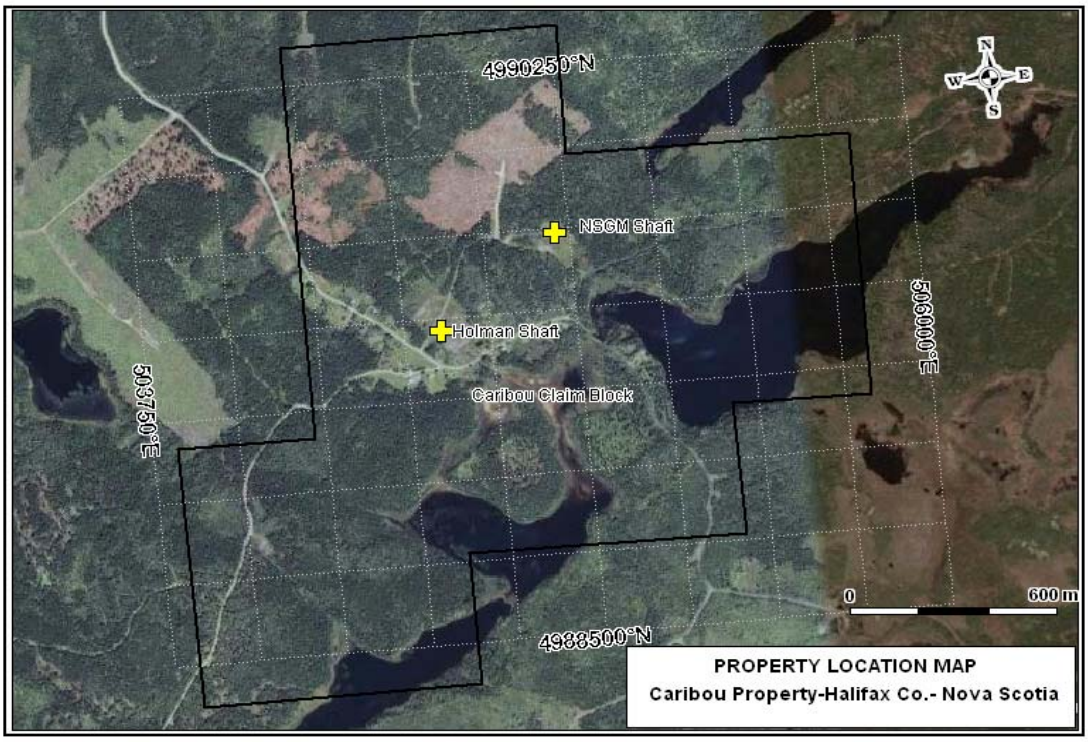

Figure 2- Property Location Map- Caribou Property

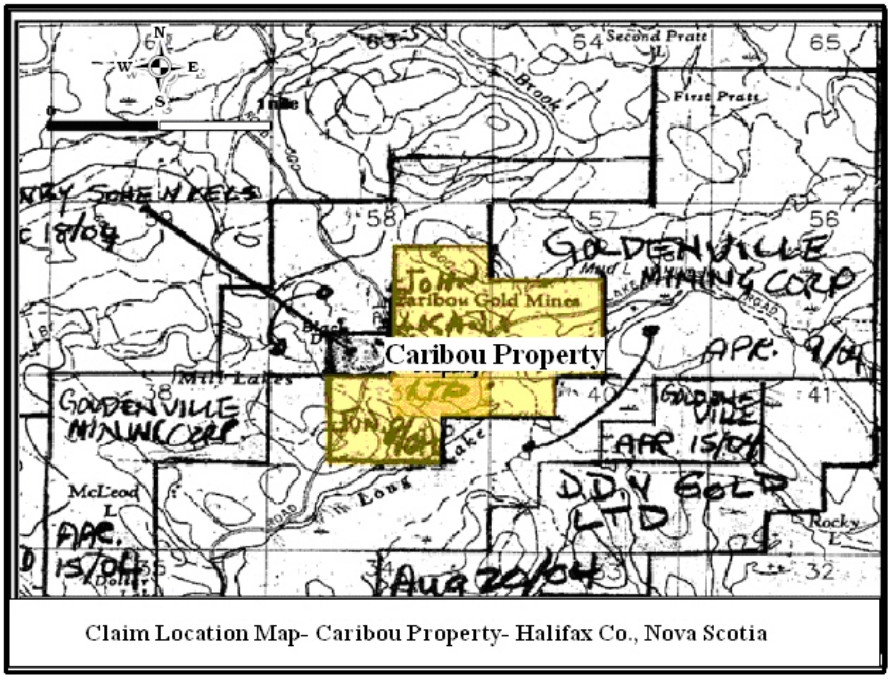

Figure 3- Claims Location Map- Caribou Property

4.3 Property Ownership

Scorpio Mining Corporation signed a formal option agreement with John Logan Enterprises Ltd., on April 25, 2008 to acquire a 100 percent registered and beneficial interest in 16 claims which collectively form the Caribou Property. Descriptions of the claim group are provided in section 4-2 and terms of the option agreement are summarized in table 4-3 below. There are no underlying royalties or obligations except as outlined in the option agreement and those to the Nova Scotia government as defined in the Provincial Mining Laws. The exploration claims were staked by John Logan Ltd. in 1980. On August 9th, 2007 Scorpio Mining Corp. transferred all its gold assets including the Caribou Gold Property to a 93.5% owned private company called Scorpio Gold Corporation.

As of April 25, 2008 all cash payments ($255,000) have been made and $611,839.45 of the $1.6 million work commitment has been completed. Mr. Logan has agreed to defer each of the remaining $500,000 yearly work commitments by one year, with all such work commitments to be completed by April 25, 2011.

The underlying agreement allows for the transfer of the option interest and as such Scorpio Gold will continue to carry on the option terms. As part of the acquisition of Scorpio Gold by Cincoro which will continue a QT, under the policies of the TSX Venture Exchange for Cincoro, Cincoro has agreed to issue to Scorpio Gold shareholders a total of 30,255,764 common shares of Cincoro in consideration for all of the common shares of Scorpio Gold. Upon completion of the QT Scorpio Gold will become a wholly-owned subsidiary of Cincoro. Scorpio Gold will continue to be bound by the terms and conditions of the option agreement.

Table 4-3 Option Agreement Summary

YEAR	PAYMENT	WORK COMMITMENT
1	$75,000**	$100,000
2	$60,000**	$500,000
3	$60,000**	$500,000
4	$60,000	$500,000

The underlying Option is for a period of 4 (four) years with cash payments and work commitments being made over this time period.

Terms of the Option Agreement state that the company may elect during year 1 or 2 to make a total cash payment of $250,000 at which time the Option will be considered fulfilled and Scorpio Gold will then own 100% of the Caribou Gold Mine, however presently the Option is in the fourth year and this no longer applies. Once Scorpio Gold fulfills the Option by making the required cash payment and work commitments, the mining licenses will be transferred into the name of Scorpio Gold. During the tenure of the Option, Scorpio Gold will keep all claims in good standing by paying the claim renewals each year. Once Scorpio Gold exercises the Option, Logan will retain a 2.5% (two and a half percent) Net Smelter Return (NSR) royalty. Scorpio Gold will retain the right to purchase 1% (one percent) of the NSR for the sum of $1,000,000 (one million dollars) leaving Logan with a 1.5% (one and a half percent) NSR royalty.

5.0 ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

Accessibility to the property, physiography, climate, and infrastructure are addressed in this section of the report.

5.1 Property Access

The claim area is located about 50 km south of the town of Truro and 80 km north-east of Halifax. The property is accessible via Route 224 to Upper Musquodoboit and an all season road from that village for a distance of 10 km, south to the Caribou Mines. The property is accessible from the west by a provincially maintained road joining Caribou Mines with the Moose River Road a gravel road which joins Highway #7, at Upper Musquodoboit. The area around the Holman Mine is accessible from the mine road established in mid 1988.

5.2 Physiography and Climate

The Caribou Property is located 10 km south of the village of Upper Musquodoboit, at an elevation of 135 metres above sea level. The area is forested with spruce, fir, maple and birch, much of which is logged over. Intermittent swamps are found on the property and are drained by small streams that flow south west and discharge into the Moose River. The regional water-table is from 1 to 10 metres below ground surface over most of the claim block and seasonal fluctuations in the depth of the water-table vary from 2 to 3 metres. Bedrock exposures are rare as most of the area is blanketed with glacial till. The till is between 1 and 20 metres thick, occasionally up to 30m thick in glacial valleys. Topographic relief is slight, with elevations in the area varying from a low of 50 metres on the west side of the property and a high of about 150 m on the top of ridges. Farming and forestry provide most of the employment in the area. Tourists use the river and lake system of the area for recreational purposes.

The claim group area has a humid, temperate, continental climate that is somewhat modified by the proximity of the Atlantic Ocean. The mean annual temperature is 5.8° C. The warmest temperatures are generally in July and the coldest temperatures are in February. The following weather information is from Environment Canada's *"The Climates of Canada"* web site. The description has been abridged to a discussion of the Caribou Mines area.

Table 5-2 Upper Musquodoboit, Nova Scotia Weather, 1961 to 2001

Temperature:	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
Daily Average (°C)	-6.9	-6.5	-1.8	3.9	9.8	14.7	18.4	17.8	13.4	7.7	2.8	-3.5	5.8
Standard Deviation	1.9	2.3	2.0	1.4	1.6	1.1	1.3	1.2	1.4	1.2	1.4	2.4	1.5
Daily Maximum (°C)	**-1.5**	**-1.2**	**3.1**	**8.8**	**15.6**	**20.7**	**24.1**	**23.5**	**19.2**	**12.9**	**7.0**	**1.3**	**11.1**
Daily Minimum (°C)	**-12.3**	**-11.8**	**-6.7**	**-0.9**	**3.8**	**8.7**	**12.7**	**12.1**	**7.7**	**2.5**	**-1.4**	**-8.3**	**0.5**

Temperature:	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
Extreme Maximum (°C)	16.0	17.0	20.0	23.0	30.0	33.0	33.5	33.0	30.5	26.5	21.7	16.7	
Date (yyyy/dd)	1993/31+	1961/02	1985/07	1964/06	1977/01	1968/10	1962/03+	1978/25	1971/27	1974/22	1989/25	1989/30	
Rainfall (mm)	69.8	46.9	66.1	66.0	91.6	85.1	89.8	85.4	101.3	104.6	101.1	83.7	991 .4
Snowfall (cm)	51.9	49.2	45.0	19.8	2.2	0.0	0.0	0.0	0.0	1.5	14.2	45.2	229 .1
Precipitation (mm)	117.4	91.7	107.0	84.5	93.7	85.1	89.8	85.4	101.3	105.9	114.7	125.5	1202 .1
Average Snow Depth (cm)	11	15	11	1	0	0	0	0	0	0	1	5	4
Median Snow Depth (cm)	10	14	9	0	0	0	0	0	0	0	0	4	3
Snow Depth at Monthend (m)	11	15	2	0	0	0	0	0	0	0	2	10	3
Date (yyyy/dd)	1978/14	1996/16	1994/03	1982/28	1971/17	1973/17	1983/22	1971/15	1996/14	1988/19	1990/18	1975/22	
Date (yyyy/dd)	1971/24+	2001/03+	1987/03	1963/13+	1992/06	1961/01+	1961/01+	1961/01+	1961/01+	1972/20	1989/26	1963/30+	

Atlantic waters are relatively cold (8-12° C), and they help to keep the air temperature over eastern Nova Scotia on the cool side in spring and summer. In January, when their temperature is between 0º and 4º C, these same waters moderate the harshness of winter. The most significant aspect of winter is the marked day-to-day variation caused by the alternation between Arctic and Maritime air. Precipitation along the southern coast totals 1,500 mm. On average, only about 15% of Nova Scotia's total annual precipitation originates as snow. The snow cover season, that is, the period when there is at least 2.5 cm of snow on the ground, varies considerably. Usually its duration extends from about 110 days a year along the eastern coast to 140 days inland and in areas adjacent to the frozen seas.

5.3 Infrastructure

The Holman shaft and associated workings developed by Cominco constitute the main components of potentially useful mining infrastructure present on the Caribou property. The vertical three compartment Holman shaft extends to the 800 foot working level of the mine and is currently capped. Compartments measure 5 feet by 5 feet inside timbers, with two configured for hoisting and one used as a ladder-way and services. The two compartment Nova Scotia Gold Mines shaft near the northeast limit of the mine is also in good condition and capped at present. This shaft was configured primarily for ventilation and escape way purposes during the Seabright and subsequent Antioch Resources periods. Narrow gauge track dating to the Seabright period is in place on main accesses at the 500 and 800 foot levels and piping for mine services, installed during the same period, is present throughout much of the mine. High voltage three phase electrical power is available at the site and records indicate that typical water inflow rates to the workings are minimal.

Based upon the above, the Holman workings could easily be de-watered and re-entered for purposes of further

exploration or mine development. However, a limiting factor with respect to potential future use is the relatively small size of both shaft compartments and underground workings. With the exception of main haulage ways, most of the latter typically measure only 5 feet by 7 feet in dimension. Some of the mining equipment, used by Antioch on the Caribou Property in 1989, is presently being stored in the Upper Musquodoboit area but most is not salvageable.

Mining personnel are available throughout Nova Scotia as a result of the closure of most of the coal mines in the province. Trades persons and heavy equipment operators are located throughout the area.

The 256 hectare claim block is of sufficient size to establish a 250 to 500 tonne per day mining and milling operation and the old Caribou mine site would be an excellent location to centralize operations.

5.3.1 Water Supply

The water rights are controlled by the provincial government and permits are required to pump and discharge water. Water is available from both Bunkner and Long Lake and could also be obtained from shallow wells.

5.3.2 Power

A three phase power line was established at the mine site in 1989, by Seabright Resources. The last poles are located within 50 meters of the Holman Shaft. Approximately half of a large 8 inch power cable used to drive ventilation fans setup in the Nova Scotia Gold Mine Shaft remains on site.

6.0 HISTORY OF MINING AND EXPLORATION

6.1 Mineral Exploration and Mine Development in the Area, 1867 to 1934

The early history of mining in the Caribou gold District is well documented in W. Malcolm's "Gold Fields of Nova Scotia, Memoir 385" and is summarized as follows.

Discovery of gold in the Caribou area in 1867 was quickly followed by first recorded production in 1869. Since that time, gold production of approximately 108,250 oz. can be documented, of which 43,205 oz. was produced by Consolidated Mining and Smelting Ltd. (Cominco) from the Holman Mine between 1934 and 1947. A compilation of gold production from the Caribou district indicates the average grade for ore mined was 0.387 oz/ton gold.

Pre-1925 production from the district came predominantly from shallow workings that exploited narrow bedding parallel leads. Included in this group would be the Caffrey, North Free Claim, Amherst, Heathering,

and Flat Leads. The discovery of discrete, plunging lodes adjacent to the Halifax Formation - Goldenville Formation boundary lead to subsequent production from the Lake Lode, Elk and Truro Mines. These zones generally form as plunging, elongated belts of veining but differ in grade and the depth to which they were mined. The latter two, which are contained within the Caribou claim group, were mined above the 350 ft. level and produced material grading in excess of 0.6 oz/t from well defined pay shoots following cross vein - bedding intersections. The former, located 800 meters northeast of the Caribou claims, is by far the largest plunging zone developed and produced material grading approximately 0.21 oz/t in place (Tilsley, 1983 B) from a 2 to 6m wide, plunging quartz veined belt. This zone was developed to a depth of 1,000 ft. below surface and the Lake Lode Mine is cited as one of the deepest past-producing gold operations in the province. The Lake Lode Mine produced in excess of 70,000 tons prior to 1909 and was developing 1,000 level ore at the time of its closure due to fire in 1909. Between 1925 and 1934, sporadic small scale mining/exploration operations were carried out on bedded leads near the Nova Scotia Gold Mines Shaft and Munroe Shaft areas northeast of the Holman Shaft. These operations were characterized by intermittent periods of mining and probably contributed less than 3,000 ounces of gold to the district's total production.

Table 6-1.a Historical Gold Production, Caribou Gold Mine (pre 1925)
(Malcolm W., Gold Fields of Nova Scotia, 1929, G.S.C., Memoir 385)

Historical Gold Production -Caribou Gold Deposit 1869 - 1925					
Year	Gold extracted			Ore Crushed	grade oz / tons au.
	Oz.	Dwt.	Gr.	Tons	Oz.
1869	1,001	0	23	1,583	0.63
1870	613	11	2	755	0.81
1871	504	15	23	479	1.05
1872	209	15	0	368	0.57
1873	17	16	12	21	0.81
1874	368	10	23	333	1.11
1875	446	12	19	368	1.21
1876	717	4	10	542	1.32
1877	2,596	13	23	1,735	1.50
1878	1,026	12	16	929	1.10
1879	676	1	21	781	0.87
1880	823	5	19	824	1.00
1881	1129	18	13	1661	0.68
1882	588	6	11	1601	0.37
1883	477	11	6	2094	0.23
1884	966	19	22	1,559	0.62
1885	1,335	14	11	2,239	0.60
1886	2,233	17	16	3,087	0.72
1887	1,861	9	22	2,689	0.69
1888	2,729	10	15	6,313	0.43
1889	1,906	1	10	7,338	0.26
1890	1,576	19	8	6,661	0.24

Historical Gold Production -Caribou Gold Deposit 1869 - 1925					
Year	Gold extracted			Ore Crushed	grade oz / tons au.
1891	1,486	14	21	5,489	0.27
1892	2,335	16	10	7,189	0.32
1983	1,549	15	5	4,701	0.33
1894	2,779	16	17	9,727	0.29
1895	3,189	11	1	11,565	0.28
1896	2,864	13	1	13,918	0.21
1897	2,781	13	19	9,324	0.30
1898	1,201	7	19	6,188	0.19
1899	954	13	4	13,116	0.07
1900	1,633	6	23	8,348	0.20
1901	2,341	5	6	6,893	0.34
1902	2,162	0	21	9,890	0.22
1903	3,653	3	8	11,961	0.31
1904	1,856	19	12	10,592	0.18
1905	1,319	1	10	13,998	0.09
1906	831	1	16	9,268	0.09
1907	638	8	3	4,458	0.14
1908	132	0	0	1,240	0.11
1909	284	6	0	1,055	0.27
1910	270	10	0	409	0.66
1911	850	4	18	754	1.13
1912	984	14	0	1,367	0.72
1913	459	5	17	687	0.67
1914	483	10	2	789	0.61
1915	293	18	0	322	0.91
1916	693	15	21	413	1.68
1917	200	5	20	365	0.55
1918	281	0	0	600	0.47
1919	296	0	1	818	0.36
1920	206	19	6	345	0.60
1921	74	4	20	40	1.85
1922	7	7	10	5	1.40
1924	69	0	0	15	4.60
1925	4	11	15	5	**0.80**
Total	**62,952**	**527**	**651**	**20,814**	**0.31 oz/ton au.**

6.2 Mineral Exploration and Mine Development in the Area, 1935 to 1947

The most significant exploration production period in the district's history dates from 1934 to 1947 at which time Consolidated Mining and Smelting Company Limited carried out exploration over amalgamated mining licenses covering most of the past producers. An initial exploration phase, incorporating both surface and underground programs resulted in development of extensive workings on the 500 level of the Holman Mine, the shaft of which had been sunk at the crest of the Caribou-Cochrane Hill anticline. These openings tested a number of bedding-parallel leads, two of which, the 503 Vein and High Grade Vein, were mined. Of these, the

former was mined by resuing methods and proved to be of marginal revenue whereas the profitable High Grade Vein was narrow stoped, locally producing in excess of 2 oz/t over the 75 cm to 95 cm stope width (Bell, 1948). In addition to the bedding-parallel leads developed by Consolidated, an elongate, southwest plunging (45°) zone of intense veining was extensively developed on the south side of the anticline. Termed the "Main Ore Zone", it was opened continuously from the 100 level to the 700 level and yielded approximately 40,000 oz. of gold. In his final engineering report for the Holman Mine, Howe (1948), indicated that a decrease in grade within the Main Ore Zone structure had been encountered below the 700level and that the northwest trending Principal Mine Fault had displaced the zone on the 800 level. Little effort was made by Consolidated to locate the continuation of the Main Ore Zone on the west side of this break and only a minimal amount of stoping was carried out below the 700 level. All activities at the Holman Mine were terminated early in 1947 due to lack of ore reserves and the need for new mine development.

6.3 Mineral Exploration and Mine Development in the Area, 1948 to 2007

The Caribou Property lay idle between 1848 and 1979, with no activity reported on the property. Late in 1979 Sherritt Gordon Mines Ltd. acquired licenses over most of the dome and subsequently conducted VLF-EM surveys, geological mapping, and diamond drilling focusing on the south side of the anticline. This program was designed to evaluate gold potential within the basal portion of the Halifax Formation and culminated in a series of holes to intersect the down plunge extension of the Lake Lode ore zone. None of these intersected the zone at targeted depths. Additional detailed exploration of outlying targets was not carried out and Sherritt Gordon Mines Ltd. relinquished its option late in 1982. Golden Caribou Resources Inc. subsequently optioned the property from John Logan Enterprises Ltd. in 1983 and carried out a small surface exploration program in addition to dewatering the Holman Mine and completion of a modest underground sampling program. The consultant's summary report recommends an integrated program of Main Ore Zone salvage and new zone development. Development would be focused on drilling indicated structures similar to the Main Zone that occur in its hang-wall and foot-wall areas. No action was taken on the recommendations by Caribou Resources Inc. and the property was subsequently returned to John Logan Enterprises Ltd. Of Upper Musquodoboit.

In 1986 Seabright Resources Inc. acquired the main property encompassing the Holman, Lake Lode, Truro, Elk, Dixon, and Caffrey Mines from John Logan Enterprises Ltd. under a purchase-option agreement. Peripheral exploration licenses were acquired by Seabright to consolidate land holdings in the area.

Exploration consisted of extensive surface (125 holes) and underground drilling (61 holes), underground exploration, geological mapping, geochemical and geophysical surveys. The Holman Mine was dewatered and rehabilitated. Extensions and repetitions of the stockwork ore were sought by cross cutting, drifting, raising and slashing. Following the take over of Seabright Res. by an Australian group (Westminer) work was terminated and the optioned ground was returned to John Logan. In the fall of 1988, Antioch Res. optioned the Caribou from John Logan and renamed the property the Logan Mine. Antioch Res. continued to advance the previous Seabright Res. work to increase the stockwork resources. In addition, they completed engineer studies of mining method best suited for mining narrow, high grade, mineralized shoots. Exploratory work by Antioch Res. includes 17 drill holes from the 100 and 500 levels of the Holman Mine, a 100 foot raise from the 800 level and slashing on the 500 and 800 levels. Limited test stoping was completed. By the fall of 1989, a valuation of the Caribou Mine Property was done and a preliminary resource estimate was completed. Antioch subsequently relinquished its option on the property due to lack of financing and poor market conditions.

RJZ Mining Corp. optioned the property in 1998 and completed a limited assessment of low grade potential with emphasis on the Main Zone flexure in the Holman Mine Area and on other mineralized zones previously identified by Seabright Resources. They were unable to raise sufficient funds to advance the property and terminated the option.

In October 2006 the author and W.G. Shaw and Associates Ltd. completed a NI 43-101 compliant resource study on the Caribou property which outlined an Inferred gold resource on the Caribou property, amounting to 350,305 tonnes grading 8.41 g/t gold, using uncut gold assay data or 350,305 tonnes grading 5.83 g/t gold using a statistical cut-off of 47 g/t gold.

The gold resources outlined are sufficient to warrant an advanced exploration program including surface drilling and underground sampling of high-grade veins and stock-work zones to expand the existing gold resource. The underground workings on the Caribou property should be de-watered and refurbished to allow access to mineralized zones for analytical and metallurgical testing. Extraction of the material from the high grade veins zone should be done using narrow vein mining techniques to insure minimal dilution. The larger stock-work zones to the east of main zone, should be bulk sampled to determine width and grade. Cost estimates for the underground evaluation is $3.75 million dollars.

During the summer of 2007 Scorpio Gold, as per an underlying first right of refusal with Scorpio Mining

began work on the Caribou deposit. The work comprised of brush clearing the main shaft area, refurbishment of the previous grid base lines, surveying the placement of buildings – electrical lines – shafts and trenches with respect to the existing base lines. In addition a small drill program was completed and preliminary baseline environmental monitoring of stream and mine water were completed. Work also included the inspection of the existing shaft collar on the No. 3 shaft and checking the bedrock conditions of a proposed area for a possible hoist system.

Scorpio Gold also initiated baseline environmental water quality tests of both steams draining the property and mine water. The work was completed by W.G. Shaw and Associates, Antigonish, Nova Scotia. Results indicated brooks draining from Bunker Lake contain arsenic values of 0.054 mg/L while mine water samples contain arsenic values ranging between 0.017 and 0.024 mg/L. Arsenic values exceed the Canadian Guidelines for Freshwater Aquatic Life. In September 2007, Golder Associates, Toronto, Canada provided Scorpio Gold with a Design and Engineering Plan which would address the high arsenic in mine water issue and allow for successful dewatering permitting on the Property.

6.4 Summary of Diamond Drilling on the Property

Four major diamond drill programs have targeted gold mineralization on the Caribou Gold Property. Holes include approximately 112 surface holes and 206 underground holes, which test auriferous zones. Holes have tested the auriferous zone over a strike length of 800 meters and to an average depth of 240 meters. Information on the past drill programs is summarized in sections 8-5 of this report.

6.5 Summary of Bulk Sampling on the Property

A number of detailed tests have been done to determine the gold content of large samples of material from the Caribou Deposit. Of the 300,000 tons mined from the property, the average grade is 0.0387 oz/ton gold. A 1,000 tonne bulk sample taken from an open cut to the northwest of the Holman Shaft by Seabright Res. in 1988 returned and average grade of 1.9 g/t gold.

6.6 Historical Mineral Resource and Mineral Reserve Estimates

A historical resource estimate for the Caribou Gold deposit was completed in 1989 by I. S. Parrish, for Antioch Resources Ltd using drill-hole and underground data completed by Seabright Res. Ltd. and Cominco

Ltd. (see table 6-6). The resource estimate is undiluted, uncut, in situ, geologic resource. The estimate is not considered reliable as it does not follow prescribed definitions and categories in accordance with the NI 43-101 reporting system. There is no information provided on data collection, sample method and approach, analyses, and security. The author is not aware of any other resource estimates for the property.

Table 6-6 Historical Resource Estimate - Caribou Mines

Indicated Resource calculations – Antioch Res. – 1989

Zone Name	Tonnage	Grade (uncut)	Description
Hardlite Zone	30,000	0.350 ozs./ton gold	Stockwork
Main Zone	30,000	0.300 ozs./ton gold	Stockwork
403 Zone	50,000	0.250 ozs./ton gold	Stockwork
Undifferentiated veins	126,330	0. 560 ozs./ton gold	Bedded leads
Totals	**226,330**	**0.458 oz. au/ton**	Veins and Stockwork

7.0 GEOLOGICAL SETTING

The following description of the regional and property geology was taken from government assessment and historic reports, along with internal reports provided by John Logan Enterprises Ltd.

7.1 Regional Geology

Southeastern mainland Nova Scotia is underlain by folded Cambrian-Ordovician age sedimentary sequences of the Meguma Group that have been intruded by extensive areas of Mid-Devonian age granite and granodiorite. Two formations comprise the Meguma Group, with the quartzite and greywacke dominated Goldenville Formation occurring conformably below the slate and argillite dominated Halifax Formation. The Goldenville Formation is believed to include at least 5600 meters of section, while the Halifax Formation thickness is estimated to be at least 4400 meters (Ami, 1900). Both formations were deformed by the mid-Devonian age Acadian Orogeny, which produced an east to northeast trending regional fold set and associated axial planar cleavage. Regional folds typically show upright to overturned geometry and are frequently doubly plunging at shallow angles. These combine to produce domal structural patterns considered typical of the

Meguma Group. Anticlinal folds occurring within the Goldenville Formation have been recognized as important factors in localizing gold mineralization (Malcolm, 1929). Metamorphism associated with the Acadian Orogeny produced locally variable effects on the Meguma Group. Areas of amphibolite facies regional metamorphism occur in the extreme northeast and southwest parts of the mainland while central areas are characterized by mid or lower greenschist facies assemblages. Large volumes of granite and granodiorite were intruded into the folded and metamorphosed Meguma Group during Mid Devonian to early Carboniferous time, resulting in local development of well defined contact metamorphic effects.

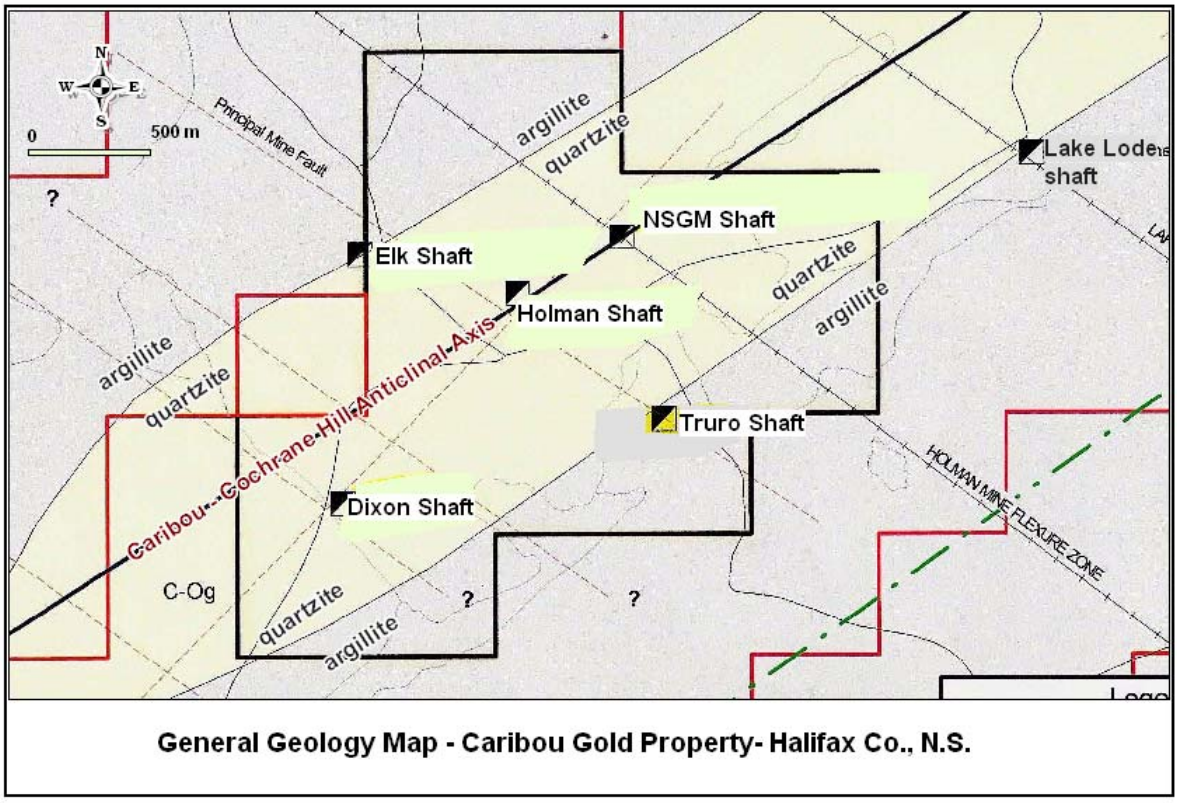

Figure 4 - General Geology Map - Caribou Property

7.2 Local and Property Geology

The Caribou property covers a portion of the northeast trending Caribou-Cochrane Hill Anticline that shows shallow plunges to both northeast and southwest. Plunge variation provides definition of a gentle domal structure, with greywacke-dominated Goldenville Formation strata occurring in the center or core of the fold,

flanked by slates of the Halifax Formation. The Goldenville Formation underlies a zone measuring approximately 6 km long by 1 km. in wide. All significant gold deposits in the district are hosted by either strata of this formation or strata that are transitional to the overlying Halifax Formation. Several northwest trending faults cross the Caribou anticline and the northeast trending Dixon fault occurs near the axial zone of the fold. Bleaching and siliceous alteration locally occur along the Dixon structure and drilling in the Holman Mine area has shown the fault to have several discrete splays.

7.3 Deposit Type

The geological model is lode gold mineralization, the result of folding and the associated fracturing which increased permeability and thickened beds at the crest of folds. Fluids traveled along the permeable crest depositing mineralized quartz in the openings and also replace favorable rocks in the vicinity. Gold may also be remobilized into bedded leads and or shear stock-work zones related to cross cutting structures. The resultant ore bodies are piped shaped, and where situated above one another, are called saddle reefs. Excellent examples of saddle reefs are the well known Bendigo gold field, Victoria, Australia, and many of the Meguma hosted lode gold deposits of Nova Scotia.

7.4 Mineralization

Gold mineralization from the Caribou Gold District has come from two main deposit styles, bedding parallel quartz veins and flexure-associated quartz stock-work zones with or without related fissure veining, which are further described below. A third style is also present in the form of cross veins or "angulars" but these are excluded from the present discussion due to their insignificant contribution to the area's total gold resource. Arsenopyrite, pyrite, pyrrhotite, galena, chalcopyrite, and sphalerite are commonly found associated with the auriferous zones.

Bedding parallel veins are typically thin, measuring less than 35 centimeters in width, and show crack-seal layering or other internal structuring. Much of the vein-hosted gold is coarse grained and occurs within plunging grade shoots the shape and orientation of which are delineated by longitudinal plans from historic mining. The variation in the distribution of the gold mineralization is not well understood, but physical irregularities of vein structure such as rolls, swells or side vein intersections often show direct spatial association with higher grade areas. In some instances, bedding parallel veins become thickened within anticline hinge zones and form “saddle reef”' style quartz accumulations showing enhanced thickness and gold

grades. Most bedding parallel veins in the Holman Mine area show gold grades of less than 35 g/t over vein widths of less than 35 centimeters. Some, however, exemplified by the "High Grade Vein" mined by Cominco, are particularly rich in gold, with mining and milling records for this vein indicating gold grades of up to 68 grams per tonne over mining widths of about 90 centimeters. Both quartz vein and wall-rock material were milled in this case, suggesting that undiluted quartz vein gold grades were substantially in excess of those noted above. Bell (1947) proposed that the vein's high gold content could be a result of proximity to the Cominco Main Zone stock-work orebody, making it paragenetically distinct from most other bedding parallel veins in the area.

Stock-work mineralization at the Holman mine is considered to be controlled by a north-northwest striking, westerly dipping structure that cuts across the Caribou dome at a low angle. The effect this structure had on the enclosing strata is reflected as a sudden warp or kink in the strike of the bedding, and is expressed as a sudden steepening in dip of the strata in sectional view. Where this structure, referred to as the "kink structure" passed through the Hardlite quartzite unit it created a zone of brittle deformation as the Hardlite unit, which is quite silicified throughout, tended to break rather than fold as the kink structure passed through it. In the area adjacent to the footwall of the Hardlite unit, there are interbedded slate and greywacke units that are relatively malleable and tended to fold rather than break when the kink structure passed through them. The juxtaposition of these plastic units against the relatively brittle Hardlite unit resulted in the formation of a dilation zone. It is within this zone that the Main Zone stock-work mineralization, which was mined by CMS, is located. A third dilation zone is located approximately 200 feet south of the hanging wall of the Hardlite unit. This zone appears to lie within the same plane as the Kink structure that produced the Main and Hardlite stock-work zones. This zone is associated with a relatively thick sequence of inter-bedded slate units that are enclosed by less malleable greywacke units. The stock-work mineralization that is associated with the dilation zone developed in this area is referred to as the "B-C" zone.

The Hardlite Zone was discovered and originally evaluated by Cominco on the Holman mine 500 foot sublevel. Seabright carried out further testing in this area, on the 500 foot level and also on the 800 foot level. Best results were returned from the last location, where a crosscut driven through the zone returned a weighted average gold grade of 7.85 grams per tonne over a 9.8 meter true width. Seabright drilling intercepts in the same zone below the 800 foot level showed coarse visible gold and accordingly returned high gold values for specific sample intervals. These uncut results include intervals of 434.47 grams per tonne over 0.62 meters,

81.83 grams per tonne over 0.41 meters and 127.32 grams per tonne over 0.32 meters within a single stock-work interval measuring approximately 9.3 meters in core length in Seabright underground diamond drill hole CUG-88-3. Raising and sub-drifting by Antioch Resources from the Seabright crosscut on the 800 foot level Hard Lite Zone confirmed its well mineralized nature in this area. In addition to the Hardlite Zone, Seabright drilling located the fault-displaced extension of the Cominco Main Zone below the 800 foot level, where good veining intensity was encountered but strong gold grades were not evident.

Seabright discovered the B-C Zone through surface diamond drilling and subsequently established underground access by crosscutting from the 200 foot Holman Mine sublevel. The zone showed local visible gold and returned variable gold grades in quartz stock-work areas, ranging between 0.29 grams per tonne over 1.8 meters to 23.79 grams per tonne over 2.6 meters for 20 kilogram samples. The best interval opened by drifting and test mined returned a gold grade of 21.31 grams per tonne for a 20 kilogram sample collected over a width of 3.9 meters.

In 1998-99, Calgary based RJZ Mining Corp. (RJZ) re-drilled Seabright surface drill hole number CMB-88-11 that had returned a B-C Zone gold intercept of 10.86 grams per tonne over 11.2 meters. Large diameter HQ core was recovered to provide maximum sample size and RJZ hole CM-98-1 returned a cyanide leach gold grade of 4.77 grams per tonne over 18.7 meters of the core tested. Included in this interval is a 12 meter zone grading 8.01 grams per tonne.

In summary the property contains 2 styles of auriferous mineralization. They are high grade bedded parallel quartz veins and stockwork quartz mineralization. Typical grade and width for both styles of mineralization are listed Table 7-4 below. Figures 5 and 6 provide locations for the mineralized zones on the Caribou Property.

The bedded parallel quartz veins are concordant with argillite and quartzite beds in which they are hosted and wrapped around a large anticlinal structure (the Caribou Anticline). The veins pinch and swell along strike and varying in width from a few cms. to 3 meters. There is some swelling in vein thickness along the axis of the anticline. Strike lengths vary from ten to in excess of 300 meters and have been traced up to depths of 260 meters. Mineralization consists dominantly of sporadic coarse grain gold irregularly distributed throughout the veins, with finer gold found along the veins edges. Auriferous quartz veins typical contain minor associated galena and arsenopyite mineralization.

Stockwork zones (the Hardlite and B- C zone) appear to be structurally controlled and similar in geometry to the mined out main zone. Both zones appear to be oval in shape (10 m x 40m) and plunge at approximately 45

degree to the southwest.

Table 7-4 – Typical grades and true width of auriferous zones Caribou property

Hole	Width (meters)	Gold g/t	Comments
200L-06	2.1	6.4	channel sample high grade vien 200 level
200L-10	2.2	15.5	channel sample high grade vien 200 level
500A-67	1.0	10.4	channel sample high grade vien 500 level
6775XCS-14	1.1	18.1	channel sample high grade vien 6775CX
800L-80	1.0	236.0	channel sample high grade vien 800 level
800L-84	1.0	403.0	channel sample high grade vien 800 level
800L-91	1.1	54.8	channel sample high grade vien 800 level
SB-88-03-UG	1.0	18.5	underground drill-hole high grade vien
SB-88-08-UG	1.1	17.9	underground drill-hole high grade vien
SB-88-10-UG	3.4	26.7	underground drill-hole high grade vien
SB-88-11	9.8	12.2	surface drill-hole stock work zone
SB-88-49	4.3	7.9	surface drill-hole stock work zone
SB-88-63	6.6	4.4	surface drill-hole stock work zone

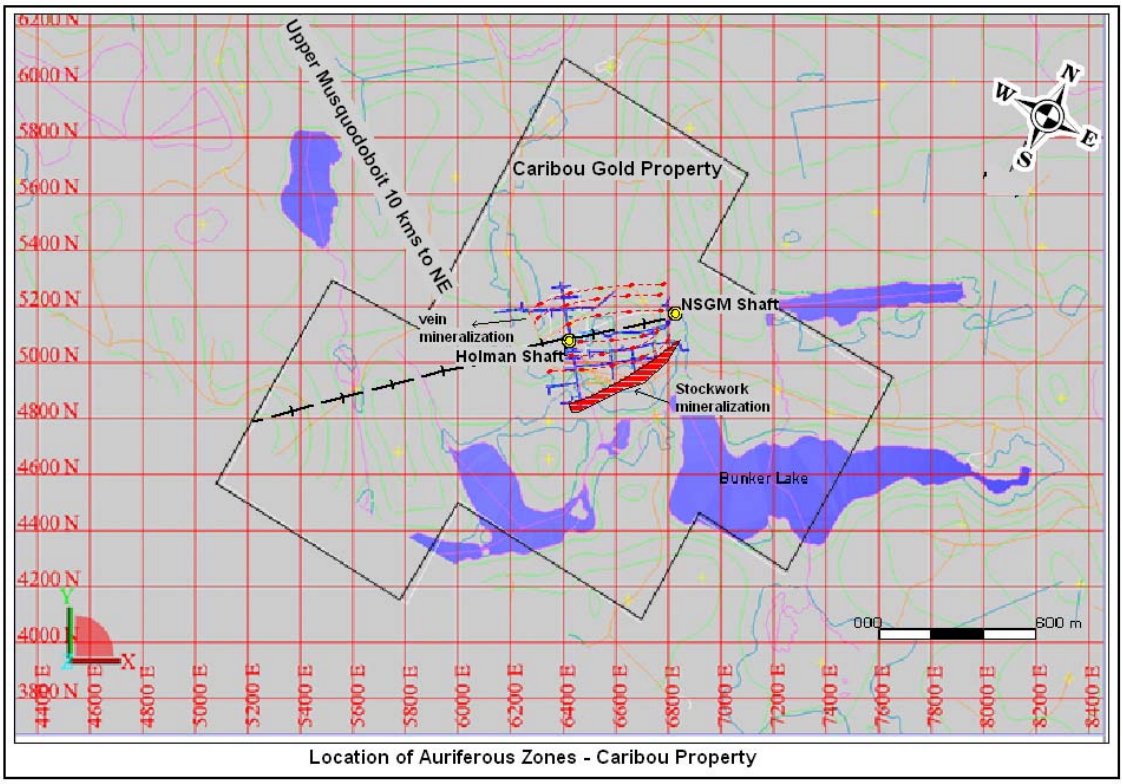

Figure 5 - Location of Mineralized Zones - Caribou Property

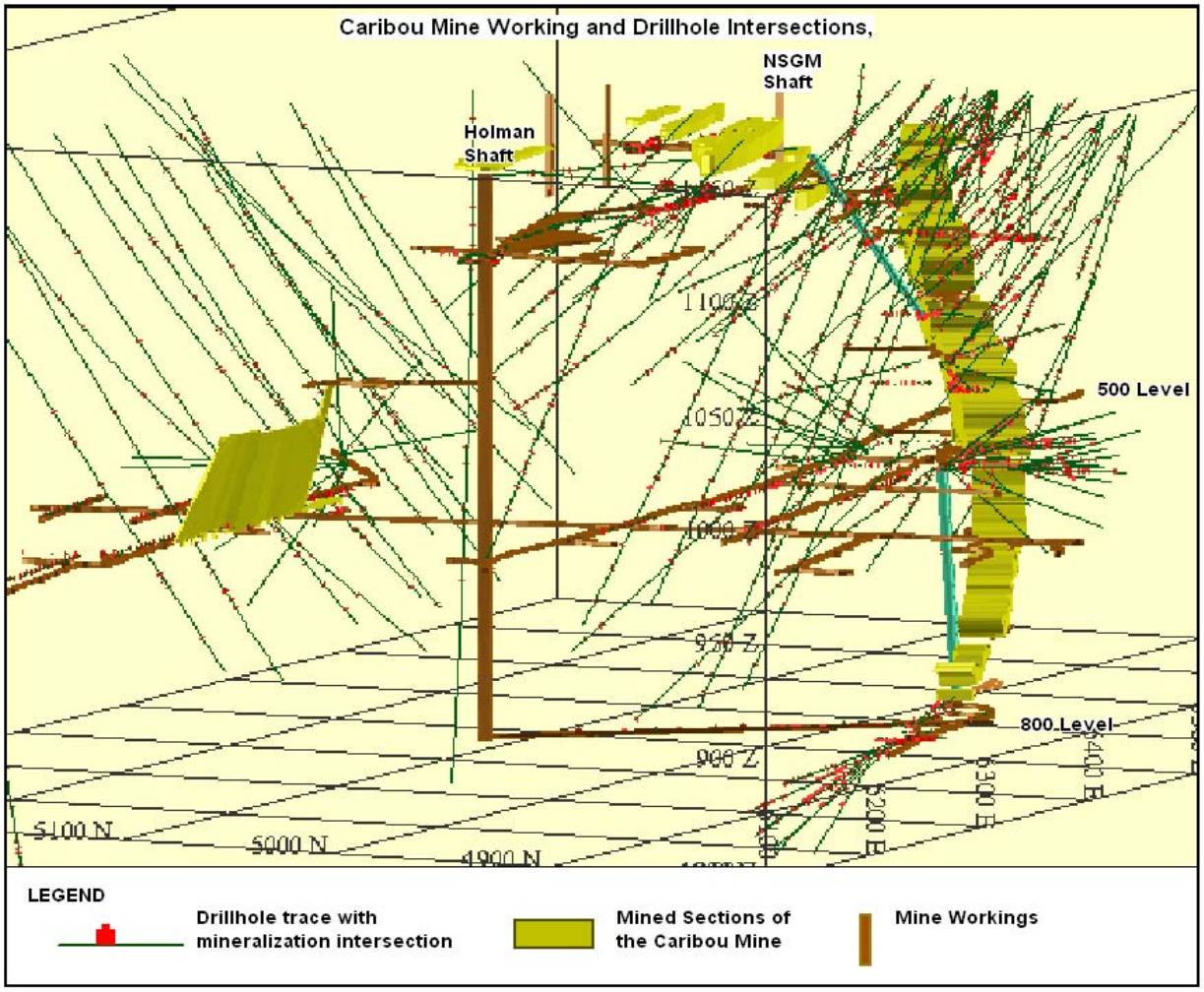

Figure 6- 3D Model- Mine Workings and Drillhole intersections

8.0 EXPLORATION AND DATA COMPILATION

The following description of exploration and data compilation was completed from assessment reports and internal files provided by John Logan Enterprises Ltd.

8.1 Geologic Mapping and Surface Sampling

Scorpio Gold has completed limited reconnaissance mapping over the Caribou Property. Work focused on locating and marking all shafts, pits, trenches, and tailings dumps on the property using a hand held G.P.S.

unit. Structural analyses and geological mapping were completed on the property by the Nova Scotia Department of Mines and Energy (NSDME) in 1979 and Seabright Resources Ltd. in 1988. Sheritt Gorden, M.E.X. Exploration, and Anticoch Resources Ltd. also completed limited mapping and sampling work proximal to the old workings.

8.2 Underground Sampling

A total of 1,599 chip and channel samples were collected from auriferous intervals located on various levels, by Seabright Resources and Antioch Resources while the mine was dewatered from 1988 - 1990. Sample lengths vary from 0.10 to 2.50 meters and weights range from 0.5 to 10 kilograms. Samples were collected perpendicular to the strike of the mineralized zone, reflecting true width of the zones. Gold by fire assaying were completed on samples by Chemex Labs, Vancouver, Bondar Cregg, Ottawa, and TUNS, Halifax. Sample preparation, data verification and security procedures used are unknown.

8.3 Geochemical Surveys

Several systematic geochemical surveys exist over the completed Caribou Property. They include regional lake and silt sampling surveys completed by the provincial government in the 1980's and a detailed soil sampling survey completed by Seabright Resources in 1988. Results outlined numerous significant geochemical (gold) anomalies. Most gold anomalies have been attributed to high grade bedded quartz veins, auriferous stock-work mineralization and or contamination associated with previous mining and milling operations.

8.4 Geophysical Surveys

Airborne geophysical survey, have been completed by the Nova Scotia Department of Mines and Energy. Ground geophysical surveys have been completed by M.E.X. Exploration, Seabright Resources Ltd., and Sheritt Gordon between 1970 and 1989.

8.4.1 Airborne Geophysical Survey

Airborne geophysical surveys have been completed by the Nova Scotia Department of Mines and Energy between 1975 and 1995. Surveys include magnetic, electromagnetic and radiometric surveys. Surveys highlight formational and structural features over the area.

8.4.2 Ground Geophysical Survey

Ground geophysical surveys on the property were completed by a number of junior exploration companies between 1975 and 1989. In 1975 M.E.X. Exploration completed ground magnetic and electromagnetic (VLF-EM 16) surveys over a cut grid, established along the axis of the Caribou Anticline. In 1979 Sheritt Gordon completed a similar ground survey over the Caribou property and north east to the Lake Lode shaft. Between 1987 and 1989, Seabright Resources Ltd. completed ground magnetic and electromagnetic surveys along cut grids established at right angles to the Caribou Anticlinal Axis between McLeod Lake and First Pratt Lake. Ground magnetic surveys, were useful in establishing geological boundaries between the Goldenville Formation and the magnetic Halifax Formation, and areas with minor pyrrhotite mineralization. Electromagnetic surveys were useful in highlighting structural features such as faults in the area but failed to outline any significant sulphide mineralization.

8.5 Drilling

Four major historic diamond drill programs have targeted gold mineralization on the Caribou Gold Property and comprised approximately 112 surface holes and 206 underground holes. Holes have tested the auriferous zone over a strike length of 800 meters and to an average depth of 240 meters. Most drill holes intersected the main auriferous zones at oblique angles, and therefore reported mineralized intersections are not considered representative of the true width. Information on the four drill programs is summarized below in table 8-5.

Table 8-5 Summary of Drill-holes, Caribou Property

Company	Location	Core Size	# of Holes	Meters Drilled
Cominco Mines.	Caribou Mine	AQ,	146	7,832
Seabright Res. Ltd.	Caribou Mine	BQ,NQ	125	11,209
Antioch Res. Ltd.	Caribou Mine Area	NQ	24	2,566
Sheritt Gordon Sheritt Gordon Mines	Caribou Mines Lake Lode Mine	BQ BQ	15 15	1580 2,566
Scorpio Gold Corp.	Caribou Mines	HQ	8	698
Totals			**318**	**23,885**

There are no records to indicate weather drillholes collars drilled prior to 1987, were ever surveyed and therefore locations can only be assumed to be approximate. Holes collared on the Caribou Property by after 1987 (Seabright Res. and Antioch Res.) are all surveyed and tied in to a mine grid established on the property the same year. The work was completed by company personnel using transits and leveling rods. It is reasonable to assume the collars of these holes are accurate within 50 cm In addition most of the post 1987 holes have downhole tarpari surveys.

From July 9 th - 26th, 2007 Scorpio Gold drilled 8 HQ drill size surface diamond drill holes which comprised a total of 698 meters in length. The drill targets were near surface stockwork style quartz veins and to test exploration models. Three of the 8 holes targeted the North Limb of the anticline, one was a near vertical hole testing the anticlinal axis which may have hosted a saddle reef type vein and four targeted the previously identified B/C Zone on the south limb. The drill holes have not been logged in detail or assayed for their mineral content due to a lack of financial resources at the time. The core remains sealed and stored on site.

In summary all historic drilling on the Caribou property, targeted auriferous zones located along a 900 meter strike length of the Caribou Anticline. The holes test auriferous zones to a maximum depth of 240 meters. Holes drilled by Cominco targeted narrow high grade veins and areas proximal the Main Zone and were

completed while the property was being actively mined. Sheritt Gordon targeted areas immediately northeast and southwest of known auriferous mineralization as part of an effort to outline extensions to known zones. Although minor gold mineral was intersected in a few of the holes, the veins were very narrow (2 to10 cms.) and widely spaced. Seabright Res. and Antioch Res. completed both surface and under ground drilling on the property. Drilling was focused on testing the both the high grade veins and stockwork zones. Numerous intersections of over 1 g/t per meter are reported from the drilling. Auriferous bedding parallel quartz veins average between .5 to 10 g/t Au over widths of 1 to 3.4 meters. The high grade report from bedding parallel quartz veins 403 g/t Au over 1.0 meters. Stockwork zones vary from 3.4 to 17 meters in thickness with grades ranging from 4.4 g/t to 26.7 g/t gold. Drill results confirm bedded parallel quartz veins can be traced over strike length in excess of 200 meters and good depth continuity. Vein widths may vary from a few cms. to greater then 3.0 meters. Drilling also confirms stockwork mineralization (hardlite and B-C zones) to the east – north east of the mined out main zone also is traceable over a distance of 240 meters and to a depth of 200 meters. In addition, drilling below the 800 level intersected stockwork gold mineralization, which may be the down dip extension of the mined out Main Zone.

Drilling by Scorpio Gold in 2007, was directed at confirming the drill results from past programs on the property and also tested the north limb of the anticline for a mirror image of the Main Zone. The holes have not been logged and or assayed to date and remain in sealed core boxes on the property. Brief lithological descriptions for the holes indicate holes which target areas of known mineralization intersected their targets, but no mineralization is noted in the holes which tested the north side of anticlinal limbs for the mirror image of the Main Zone.

8.6 Sampling Method and Approach

Analytical records for drill-holes and underground sampling collected between 1935 and to 1989 are available from the Nova Scotia Department of Mines and Energy assessment records. Samples were collected by diamond drilling and or underground chip/channel sampling. All programs focused on sampling quartz vein material and or areas of significant quartz flooding.

Three hundred and eighteen drill holes totaling some 23,885 meters of core, tested the main auriferous zones between McLeod Lake and First Pratt Lake. Cominco drilled 25 surface holes and 121 underground holes, while mining the property between 1935 and 1947. Core samples were taken at 1 to 10 ft. intervals and gold

assays were completed on site at the company's mine lab. Sample preparation, analytical procedures, data verification and security procedures used are unknown. In the fall of 1978, Sheritt Gordon completed 1580 meters of BQ core drilling in 15 holes. They tested the down dip extension of the Lake Lode deposit located 1 kilometer northeast of the Holman Shaft and geochemical and electromagnetic anomalies outlines in the McLeod Lake area. Mineralized intervals were sampled at 2 to 5 ft. intervals and sent to Atlantic Analytical Lab., St. John, N.B., for gold by fire assay. Sample preparation, data verification and security procedures used are unknown. Seabright Resource Limited completed 186 underground and surface holes which targeted auriferous zones between the Holman Shaft and the N.S.G.M. shaft. Auriferous zones were sampled over 0.1 to 1 meter intervals, and sent to a number of different labs for gold by fire assay. Laboratories included Chemex Labs, Vancouver, Bondar Cregg, Ottawa, and TUNS, Halifax. Sample preparation, data verification and security procedures used are unknown. Antioch Resources drilled 26 underground drill holes totaling 2,566 meters of NQ drill core that targeted auriferous zones between the Holman and the N.S.G.M. shafts. Mineralized intervals were sampled at 0.10 to 1.0 meter intervals and sent to TUNS, Halifax, N.S., for gold by fire assay. Sample preparation, data verification and security procedures used are unknown.

For the purpose of the Resource Estimate, only data collected from the Seabright Res. and Antioch Res. programs was used. A total of 12,539 sample points have been included in this estimate and cover an area of 800 by 200 meters and to a vertical depth of 240 meters. All drillhole collars locations have been surveyed and most have downhole directional surveys. Under ground chip and channel samples locations have been surveyed and tied in to the underground workings. In addition there are good descriptive logs for the drill holes which indicate excellent core recoveries and proper sampling procedures have been followed.

As with most Meguma type gold occurrences, gold mineralization is coarse grained, very erratic and there is always a strong nugget effect. For this reason the larger the sample size and the higher the sample density the more accurate the resource estimate.

8.7 Sample Preparation, Analyses and Security

Mineral Resource Estimates documented in section 11 of this report are based on sample preparation, analyses and security measures from previous exploration programs. Only the results from work completed by Seabright Res. and Antioch Res. are used in the estimate.

Details of sampling methods and approach carried out by the various companies are provided below. Drill core and underground samples were logged and selected by geologists employed by the various companies between 1934 and 1989. The companies include Cominco Ltd., Sheritt Gordon Ltd., Seabright Resources, and Antioch Resources. Communications with Seabright Resources personnel who worked on the project between 1987 - 1988, confirm sample preparation, analytical procedures, data verification, and security procedures were in place at that time. These companies have good reputations within the mining industry. In the author's opinion, sample preparation and handling procedures are adequate for the current resource estimate. Samples were shipped to various commercial labs including Chemex Labs, Vancouver, (B.C.), Bondar Clegg (Ottawa, Ont.), TUNS (Halifax N.S.), and Atlantic Analytical (Debert, N.S. and St. John, N.B.). The laboratories are well respected throughout the mining industry, and have reputations for excellent and accurate reporting of analytical results. Certified mineral standards and blanks were used with every sample batch. It is unknown what security measures were in place to prevent sample tampering. Chemex and Bondar Clegg Labs, Vancouver and Ottawa respectively are accredited ISO/IEC 17025 by the Standards Council of Canada (SCC). Atlantic Analytical closed it's laboratory in Debert, N.S., in the early 1990's, but still have labs, operating in Springdale, NFLD. and St. John, N.B. TUNS, Halifax, N.S., is affiliated with Dalhousie University, but not ISO/IEC accredited.

Cominco Mines (drill-holes prefixed CMS)

Cominco Mines sampling was completed between 1934 and 1947, by company geologists. Sampling methods and approach are not provided in historic records. Samples were analyzed on site, at the mine laboratory for gold by fire assay. A total of 2,051 samples were taken and vary in length from 1 to 10 feet. Core sizes range from A to BQ and recovery rates are not provided. The data is not considered suitable for use in the resource estimate.

Sheritt Gordon (drill-holes prefixed SG)

Three hundred and one (301) samples were collected from drill core over intervals varying from 1 to 10 feet. Core size was BQ and sample weight varied between 0.5 to 10 lbs. Sampling was carried out by company personnel and in accordance with standard industry practice at the time. When sampled, the core was split in

half. One half was sent to Atlantic Analytical Services (N.S. Ltd.) in Debert, Nova Scotia, while the remaining half was returned to the core box and stored on site. Assays were carried out by the fire assay method, except for samples noted to contain visible gold, which were screened. Sample methods and approach are consistent with acceptable practices for the period. The data is not considered suitable for used in the resource estimate.

Seabright Resources Ltd. (drill holes prefixed SB)

A total of 10,724 drill core samples were taken by company personnel and in accordance with standard industry practice at the time. Drill-hole samples were sawn in two, with one half being sent for analyses and the remaining portion stored on site. Samples stored on site, were destroyed during site reclamation work completed in the mid 1990's. Sample size was based on lithologies encountered together with the presence of visible gold. Sample intervals range from 0.1 to 2 meters and weight varied from between 0.5 and 10 kgs. Samples were sent to Bondar Cregg, Ottawa, Ontario and or Atlantic Analytical in St. John, New Brunswick for conventional geochemical analyses (fire assay, A.A. finish). It is unknown if any security measures were in place as the work was completed. The data is considered suitable for use in the resource estimate.

Antioch Resources (drill holes prefixed AR)

A total of 216 drill core samples and 1599 underground chip/channel samples were taken by Antioch personnel between 1989 and 1990. Samples were taken by company personnel and in accordance with standard industry practice at the time. Underground chip and channel sample were not split. Drill-hole samples were sawn in two, with one half being sent for analyses and the remaining portion stored on site. Samples stored on site were destroyed during site reclamation work completed in the mid 1990's. Sample size was based on lithologies encountered together with the presence of visible gold. Sample intervals range from 0.1 to 1.5 meter and weight varied from between 0.5 and 15 kgs. All samples were sent to either T.U.NS., Halifax, N. S. or Chemex Lab. Inc., Vancouver, B.C. gold analyses. Samples were crushed and screened to +80 mesh fraction and analyzed for gold by fire assay with an A.A. finish. Duplicate analyses were completed on every twentieth sample. Rechecking of gold analyses was completed on samples with high gold values. It is unknown if any security measures were in place as the work was completed. The data is considered suitable for use in the resource estimate.

Any new core and channel samples taken by Scorpio Gold Corporation from the property will be stored in a

locked secure building where they are dried and sorted prior to shipping. When a sufficient number of samples are collected, they are placed in large fiber bags closed with tyvek straps and sealed with packing tape prior to shipping. Federal Express and or Day and Ross Transport Ltd. will be used to transport the samples to Laboratoire Expert Inc., Rouyn-Noranda, Quebec for gold analyses. Selected splits from the samples will be sent to Activation Laboratories Ltd., Ancaster, Ontario for 30 element I.C.P. analyses. Larger samples will be sent to T.U.N.S., Halifax, or Lakefield Resource, Lakefield for metallurgical testing.

8.8 Data Verification

For the purpose of the Resource Estimate, only data collected from the Seabright Res. and Antioch Res. programs was used. A total of 12,539 sample points have been included in this estimate and cover an area of 800 by 200 meters and to a vertical depth of 240 meters.

All drillhole collars location have been surveyed and most have downhole direction surveys. Underground chip and channel samples locations have been surveyed and tied in to the underground workings In addition there are good descriptive logs for the drill holes which indicate excellent core recoveries and proper sampling procedures have been followed.

Communications with Seabright Resources personnel who worked on the project between 1987 -1988, confirm sample preparation, analytical procedures, data verification, and security procedures were in place at that time. Work completed by Antioch Res. was done in a similar fashion. These companies have good reputations within the mining industry. In the author's opinion, sample preparation and handling procedures are adequate for the current resource estimate.

The author was unable to collect any core samples and or pulps from previous work as none of the material is available. Most of the material was destroyed when reclamation work was completed on the property in the last 1999's. The author did review all available check sampling data completed by both companies and concludes that there is good correlation between each. Figure7 provides a plot of the original samples and check samples results.

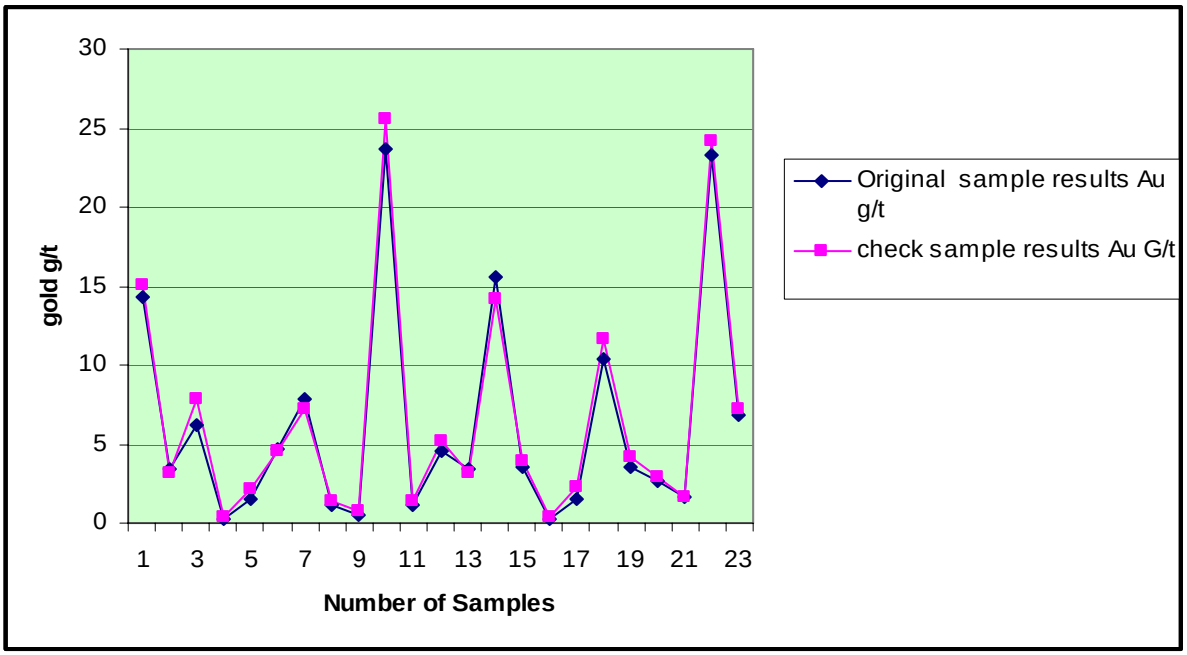

Figure 7- Sample checks by Seabright - Caribou Property

9.0 ADJACENT PROPERTIES

The Caribou Property is surrounded by a series of contiguous claims that stretch along the crest of the Caribou Anticline a distance of some 35 km The principle claim holders are Acadian Gold Corporation and New Diamond Ventures Ltd, who are exploring the area for economic gold mineralization. Their claims include the Lake Lode Deposit, located 400 meters from the Caribou Property's north boundary. In addition New Diamond Ventures is presently completing a feasibility study on their Moose River Deposit, located 15 km southeast of the Caribou Property. The Moose River Property is reported to contain a resource of 6 million tonnes grading 2.5 g/t gold. Mr. Henry Sohenkes, a local prospector, holds a single 400 x 400 m claim, which adjoins the southwest side of the Caribou claim block. The claim may be available for option.

10.0 MINERAL PROCESSING AND METALLURGICAL TESTING

Historically all gold production from the Caribou Property was completed by passing the crushed ore through

gravity circuits. Results indicate gold recoveries ranging from 85% to 95% depending on the milling methods. Most of the gold can be recovered in a gravity circuit, while the minor gold tied up in sulphide concentrates and tails can be liberated with a cyanide leach.

Mineral processing and metallurgical testing were completed for Antioch Res. between 1989 -1990 by James Bamwoya, TUNS, Halifax, Nova Scotia.

As part of flowsheet engineering studies for the Caribou mine, exploratory gold-leaching tests were conducted on the products of a proposed gravity concentration circuit. The aim was to test the amenability of gold in the ore to the Bio-D-Leachant proposed by Bahamian Refining Corp. of Phoenix Arizona as being potentially better performing and cost effective than cyanide. The test material was collected from the mine ore dump and is representative of ore from the Caribou mine. Due to limited availability of chemical reagents, only gold extraction studies were conducted using one formula, Geobrom 5500 and without reference to variations in such conditions as concentration, pH, temperature, and other constraints dictated by the chemistry of the ore involved. The procedure for the extraction of gold with Geobrom 5500 recommended by Great Lakes Chemical Corp. is as follows - to 100 ml of water add the equivalent of one assay ton (29.17 g) of well roasted or well oxidized ore ground to minus 100, 1.0 g of Geobrom and 2.0 g of Geobrom 099 (NaBr) and mix well to wet all particles. Agitate the mixture for six hours at room temperature (pH 5 – 9). Filter the solids and analyze the resultant pregnant solution for solubilized gold. The results show that about 95% of the gold in the ore sample was solubilized after 8 hours in the first leaching test while 94% was solubilized in the second attempt. Economic considerations suggest that further work would have to be done to explore ways of reducing reagent comsumption if the gold leaching system is to be useful to small mine operators.

11.0 MINERAL RESOURCE ESTIMATION

A description of the resource estimation method, classification criteria, and resource estimate for the Caribou Deposit are presented in this section of the report.

11.1 Interpretation and Modeling

There are two main types of auriferous mineralization at the Caribou Deposit. They include strata-form auriferous quartz veins that form saddle reefs along the apex of the Caribou Anticline and structurally

controlled auriferous quartz stock-work mineralization that follow a shallow plunging kink structure on the south limb of the same anticline. Mineralized stataform veins occur on the limbs and crest of the Caribou Anticline which traverses the property in a northeast – southwest direction. The veins occur singly or in belts up to 3 meters wide and have strike lengths which vary from 10 meters to 300 meters. The veins pinch and swell along their strike length with true thicknesses from 0.10 to 3.0 meters. Gold mineralization appears to have been deposited in association with the quartz veins that are emplaced along planes of structural weakness such as bedding planes, dilation zones along the crest of anticlines. The second style are lower grade, pipe shaped, auriferous stock-work zones, 15 to 30 meters in diameter, which follow shallow dipping south-east trending fracture systems.

Because of the narrow nature of the mineralized zones, standard block modeling was not practical, so the author elected to complete a polygonal estimate. Due to a number of factors (nugget effect, incomplete sampling, varied analytical methods) geopoly envelopes for the most part are interpreted and modeled to fit in to the general shape of the anticline. Due to the pin and swell nature on most of the auriferous veins on the property strike lengths are estimates and may not be as interpreted.

Modeling was completed in two steps. Initially all surveyed mine data, include level, stopes, and shaft locations was digitized in to autocad drawings and then imported into Surpac as string files. The data was wire framed together to produce a three dimensional model of the under ground workings. Secondly, a large Access database was constructed, using information from all the past drilling completed on the property and analytical data from underground sampling programs. The Access database information was then used to produce drill sections from which mineralized zones could be define and outlined.

Solids of the high grade bedded quartz veins and stock-work zones were wire-framed in Surpac to produce a model for the deposit. Sections were then cut at 12.5 centers along the strike of the mineralized zone, from L6050E to L6750E. Mineralization boundaries (polygons) were drawn using a contained gold value of 0.5 g/t gold. Polygonal Resource Estimates were then completed using Surpac Vision software with hard inside-outside boundaries oriented along structures for interpolation. Surpac uses weighted averages on a minimum of 3 and a maximum of 15 samples within a search radius of 6.25 m of the polygons, to complete the estimate. The minimum composite width is 1.0 meters and cut off grade was 0.5 g/t gold with a maximum internal dilution of 50 percent. A list of composites, from both the drilling and underground sampling are provided below in Tables 11-1a and 11-1b.

Table 11-1a Composites of drillhole sample results

Hole No	Fr	To	Length Meter	Au g/t	Hole No	Fr	To	Length Meter	Au g/t
AR-89-08-UG	62.3	63.3	1.0	65.6	SB-88-33-UG	50.7	52.8	2.2	1.1
AR-89-09-UG	62.0	63.1	1.1	2.4	SB-88-33-UG	57.5	59.2	1.7	1.2
AR-89-19-UG	7.6	8.8	1.2	4.2	SB-88-34-UG	25.9	28.1	2.2	1.6
AR-89-19-UG	92.8	94.2	1.4	2.6	SB-88-34-UG	35.6	38.2	2.6	1.3
AR-89-20-UG	26.4	28.0	1.6	1.4	SB-88-35	61.3	63.1	1.8	2.6
AR-89-24-UG	62.1	63.1	1.0	2.4	SB-88-35-UG	30.5	31.7	1.3	2.2
SB-87-06-UG	5.3	10.3	5.0	6.9	SB-88-36-UG	10.0	11.6	1.6	1.2
SB-87-07-UG	36.8	39.7	2.9	1.3	SB-88-38-UG	21.0	26.8	5.8	2.7
SB-87-09-UG	10.5	11.5	1.0	1.1	SB-88-39-UG	23.8	25.1	1.2	3.2
SB-87-27	98.8	99.9	1.1	75.5	SB-88-40	122.3	124.5	2.3	3.8
SB-87-32	87.0	88.1	1.1	1.5	SB-88-40-UG	32.6	33.9	1.3	1.8
SB-87-36	30.2	31.7	1.5	79.4	SB-88-42-UG	18.0	19.1	1.1	1.3
SB-87-39	154.4	157.3	2.9	1.0	SB-88-42-UG	25.5	26.6	1.1	1.1
SB-87-43	49.6	51.7	2.0	1.6	SB-88-43-UG	29.3	30.5	1.2	1.2
SB-87-46	71.3	74.9	3.5	37.3	SB-88-44	29.1	30.8	1.7	1.6
SB-87-46	76.8	78.2	1.4	8.9	SB-88-44	35.8	38.7	2.9	1.7
SB-87-46	106.2	108.3	2.1	10.6	SB-88-44	44.7	47.6	2.9	3.5
SB-87-49	262.3	263.5	1.2	2.2	SB-88-45	27.4	36.3	8.9	3.4
SB-87-50	83.0	85.5	2.5	1.8	SB-88-45	38.3	39.4	1.1	2.0
SB-87-54	79.0	81.3	2.3	1.5	SB-88-47	33.0	35.9	2.9	3.9
SB-87-54	86.7	89.5	2.9	2.1	SB-88-48	31.6	32.7	1.0	1.1
SB-87-56	42.5	44.4	1.9	2.6	SB-88-49	24.3	37.7	13.5	3.6
SB-87-56	49.2	50.7	1.5	5.3	SB-88-51	50.0	51.0	1.1	1.9
SB-87-56	95.1	96.2	1.0	3.0	SB-88-52	5.6	6.8	1.2	1.7
SB-88-03	97.6	98.8	1.2	32.7	SB-88-52	10.9	13.3	2.5	2.2
SB-88-03	178.8	179.9	1.2	2.5	SB-88-52	21.7	23.6	1.9	3.1
SB-88-03-UG	58.2	59.2	1.0	18.5	SB-88-52	27.4	29.0	1.6	1.4
SB-88-04	44.2	45.3	1.1	2.0	SB-88-53	4.8	7.9	3.1	8.4
SB-88-08-UG	6.7	9.1	2.4	9.0	SB-88-53	13.8	17.5	3.7	11.5
SB-88-10-UG	52.2	55.7	3.4	26.7	SB-88-53	22.9	24.0	1.0	2.2
SB-88-11	28.8	44.1	15.3	8.3	SB-88-53	28.4	29.6	1.3	2.8
SB-88-11	45.4	46.7	1.3	1.3	SB-88-54	23.1	24.9	1.8	3.1
SB-88-12-UG	48.8	50.4	1.6	1.7	SB-88-57	19.6	21.8	2.2	1.2
SB-88-17	16.6	17.9	1.3	9.2	SB-88-57	28.2	29.2	1.0	2.0
SB-88-18-UG	50.9	53.0	2.2	2.0	SB-88-58	6.1	7.1	1.1	1.3
SB-88-20-UG	10.9	12.3	1.5	3.0	SB-88-58	37.3	38.6	1.3	2.4
SB-88-25-UG	35.1	36.9	1.8	1.0	SB-88-61	68.0	69.3	1.3	1.9
SB-88-28	86.0	87.0	1.0	1.3	SB-88-61	143.1	144.2	1.1	1.2
SB-88-30-UG	43.9	46.5	2.6	1.9	SB-88-62	53.7	54.8	1.1	4.9
SB-88-31-UG	2.2	3.2	1.1	2.1	SB-88-62	79.5	80.7	1.2	3.4
SB-88-31-UG	26.5	27.5	1.0	1.1	SB-88-62	84.3	85.9	1.7	1.4
SB-88-32-UG	1.3	2.6	1.3	1.1	SB-88-62	88.6	91.1	2.5	6.1
SB-88-32-UG	6.8	7.8	1.0	2.1	SB-88-63	45.6	52.2	6.6	4.4
SB-88-32-UG	32.7	35.6	2.9	1.7	SB-88-64	43.8	44.8	1.0	3.5
SB-88-32-UG	37.5	48.0	10.5	1.3	SB-88-64	52.6	54.8	2.2	1.8
SB-88-32-UG	60.6	61.8	1.3	1.3	SB-88-65	86.0	87.5	1.5	1.7
SB-88-33-UG	7.9	9.6	1.7	1.4	SB-88-65	127.0	128.2	1.1	1.5

Table 11-1b Composites of underground channel sample results

Sample Number	From	To	Length Meters	Gold g/t		Sample Number	From	To	Length	Gold g/t
200L-06	0	2.1	2.1	6.35		5015DR-19	0	1	1	1.2
200L-09	0	2.1	2.1	3.22		5015DR-23	0	2.1	2.1	6.58
200L-10	0	2.15	2.15	15.49		5015DR-24	0	1.57	1.57	1.22
200L-11	0	2.55	2.55	5.14		5015DR-29	0	1.4	1.4	2.25
200L-13	0	2	2	6.16		5015DR-32	0	1.3	1.3	3.2
200L-14	0	2	2	4.33		5015DR-40	0	1.45	1.45	2.8
200L-15	0	2	2	2.61		5015DR-42	0	1	1	7.15
200L-16	0	2	2	4.57		5015DR-43	0	1	1	2.45
200L-18	0	2	2	3.84		5015DR-51	0	1	1	1.12
300L-29	0	2.3	2.3	1.71		5015DR-52	0	1	1	1.54
300L-33	0	1.6	1.6	9.95		5015DR-53	0	1.05	1.05	2.88
400L-03	0	1.3	1.3	3.47		5015DR-54	0	1.05	1.05	2.75
400L-04	0	1.3	1.3	1.97		6775XCS-08	0	1	1	1.66
400L-05	0	1.3	1.3	7.56		6775XCS-12	0	1.1	1.1	2.44
400L-06	0	1.3	1.3	4.26		6775XCS-13	0	1.1	1.1	3.63
400L-07	0	1.3	1.3	1.35		6775XCS-14	0	1.05	1.05	18.08
400L-20	0	1.1	1.1	2.73		6775XCS-15	0	1.05	1.05	2.15
400L-21	0	1.1	1.1	2.53		6775XCS-16	0	1.15	1.15	17.99
400L-22	0	1.1	1.1	2.99		6775XCS-19	0	1	1	1.7
400L-23	0	1.1	1.1	7.21		6775XCS-20	0	1	1	1.28
400L-24	0	1.2	1.2	8.39		6775XCS-21	0	1	1	5.05
400L-25	0	1.2	1.2	14.48		6775XCS-22	0	1	1	12.47
400L-26	0	1.2	1.2	5.27		6775XCS-24	0	1	1	2.09
400L-27	0	1.2	1.2	2.84		6775XCS-30	0	1	1	4.56
400L-28	0	1.2	1.2	14.16		6775XCS-31	0	1	1	1.01
400L-29	0	1.2	1.2	2.61		6775XCS-32	0	1	1	6.35
400L-31	0	1.2	1.2	2.05		6775XCS-33	0	1	1	17.05
400L-32	0	1.2	1.2	9.04		6775XCS-36	0	1	1	1.82
400L-33	0	1.2	1.2	2.76		6775XCS-37	0	1	1	8.4
400L-34	0	1.2	1.2	4.56		6775XCS-38	0	1	1	4.02
400L-40	0	5.75	5.75	1.55		6775XCS-39	0	1	1	6.41
500A-18	0	1.35	1.35	1.31		800L-06	0	1	1	1
500A-58	0	1.5	1.5	1.58		800L-69	0	1.8	1.8	4.45
500A-63	0	1.6	1.6	1.43		800L-70	0	2	2	1.01
500A-67	0	1.04	1.04	10.44		800L-71	0	2	2	21.51
5015DR-03	0	1.1	1.1	6.06		800L-72	0	2	2	5.77

Figure 8 provides a plan and long section for mine working and Figure 9 provides a three dimensional model of mine workings and drillhole intersections. Figure 10 provides the block model for the mineralized zones.

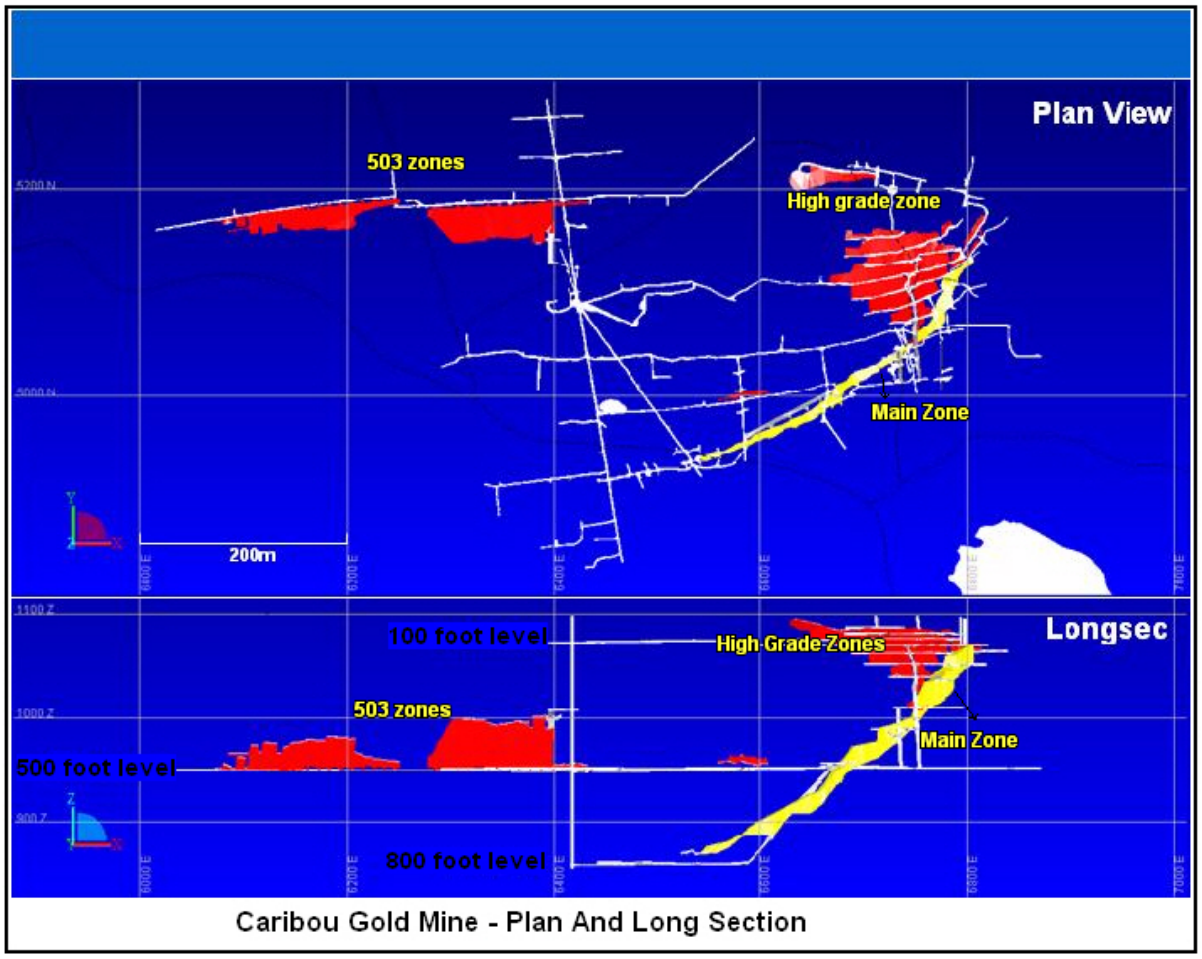

Figure 8- Plan and Long Section Caribou Gold Mine, Caribou Property

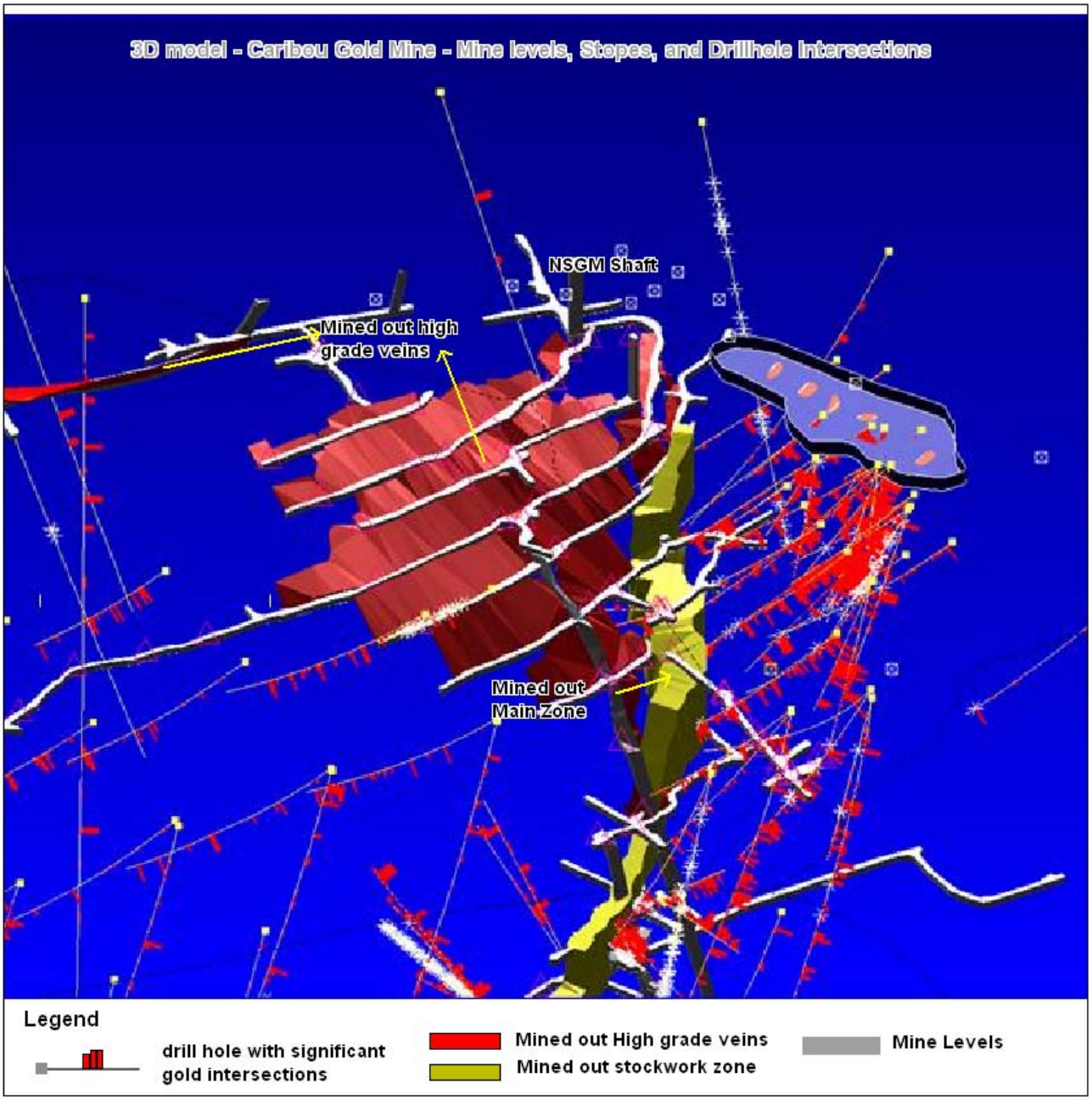

Figure 9 - 3D Model of Caribou Mine Workings and Mineralized Drillhole Intersections

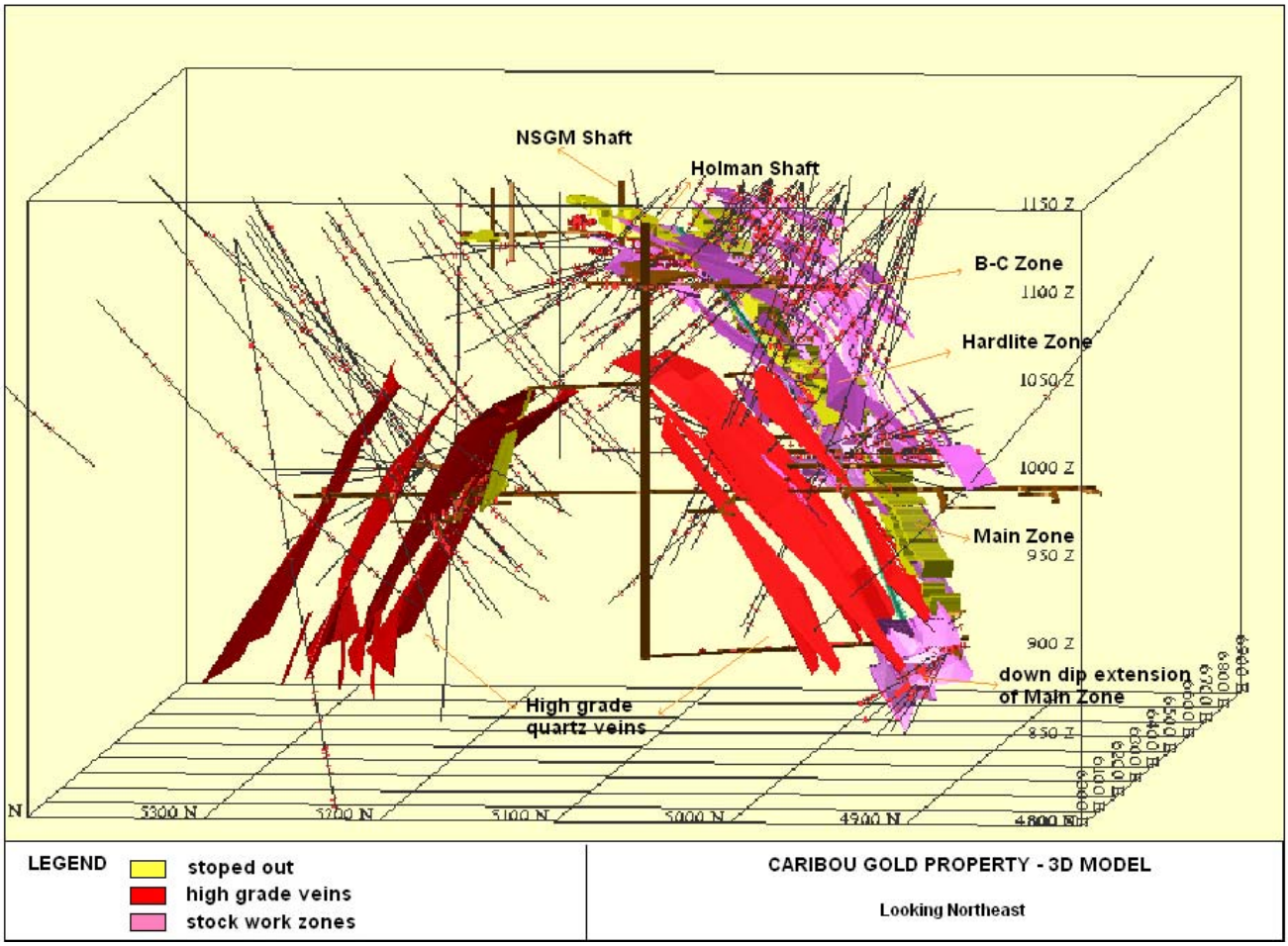

Figure 10 - Block Model- Mineralized Zones Caribou Property

11.2 Mineral Resource Estimate

The Resource Estimate was completed using a database of drill-hole and underground sampling data compilation by W.G. Shaw from previous drilling and underground sampling programs completed between 1987 and 1998. The database was audited and cleaned prior to completion of the estimates. All drill-hole intervals not sampled were assigned zero values in the zeroed assay table. The zeroed assay table was then used to complete the calculation. Mistakes corrected were of a minor nature and include overlaying sample intervals, incorrect collar coordinates, and missing assay values. Summary statistics on the final database are provided in Table 11-2.

Table 11-2 Drilling statistics from Assay Database

Caribou Database - Drilling Statistics from Assay Database		
Item	**Number**	**Length (m)**
Drill Holes	149	13,775
Underground chip / channel Samples	1,599	826.25
Assay intervals (Au) - drill-holes	10,940	5,670
Assayed intervals (Au) – chip / channel samples	1,599	826.25

Solids of the high grade bedded quartz veins, stock-work zones, and underground working, were wire-framed in Surpac to produce a model for the deposit. Sixty-five sections were then cut at 12.5 centers along the strike of the mineralized zone, from L6050E to L6750E. Mineralization boundaries (polygons) were drawn using a contained gold value of 0.5 g/t gold or higher and a minimum width of 0.5 meters. Polygonal Resource Estimates were then completed using Surpac Vision software with hard inside-outside boundaries oriented along structures for interpolation. Surpac uses weighted averages on a minimum of 3 and a maximum of 15 samples within a search radius is 6.25 m of the polygons, to complete the estimate. The average drill spacing between drillholes is 25 meters.

Resource estimates were completed by two methods. Initially a resource estimate was made using 65 vertical sections cut at 12.5 meter intervals along the strike of the zone, using uncut gold values. Results from this work gave a total estimated Inferred Resource of 351,305 tonnes grading 8.41 g/t gold. The second estimate used 65 vertical sections, cut at 12.5 meter intervals along the strike of the ore zones, and used gold values cut to 47 g/t gold. Results from this work gave a total Inferred Resource of 351,866 tonnes grading 5.82 g/t gold. Inferred mineral resources summary for the Caribou Gold deposit is shown in Tab le 11-3b, below.

Results show a significant decrease in grade when high gold samples are assigned a statistical cut-off of 47 g/t gold. The difference is likely related to the nugget effect caused by the very coarse grained nature of the gold on the Caribou Property. It also illustrates the difficulty encountered when trying to conduct accurate resource estimates for Meguma hosted gold deposits. Statistical analyses of the mineralized samples containing greater

than 0.5 g/t gold, shows the mean grade to be 5.88g/t gold, very close to the cut grade, suggesting the cut Inferred Estimate to be more accurate.

No specific gravity measurements were found in the compilation effort of this report. A value of 2.65 was determined to be suitable for the main host of the auriferous mineralization, namely quartz veins and quartzite. The value is in the lower range of values being used on similar gold properties in Meguma Terrane, previously evaluated for their gold resource potential.

11.3 Resource Classification and Estimation

Mineral Resources were classified according to CIM Definition Standards. Under the CIM definitions, a mineral resource is defined as:

"a concentration or occurrence of diamonds, natural solid inorganicmaterial, or natural solid fossilized organic material including base and precious metals, coal, and industrial minerals in or on the Earth's crust insuch form and quantity and of such a grade or quality that it has reasonable prospects for economic extraction. The location, quantity, grade, geological characteristics and continuity of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge.The term Mineral Resource covers mineralization and natural material of intrinsic economic interest which has been identified and estimated through exploration and sampling and within which Mineral Reserves may subsequently be defined by the consideration and application of technical, economic, legal, environmental, socio-economic and governmental factors. The phrase 'reasonable prospects for economic extraction' implies a judgment by the Qualified Person in respect of the technical and economic factors likely to influence the prospect of economic extraction. A Mineral Resource is an inventory of mineralization that under realistically assumed and justifiable technical and economic conditions might become economically extractable. These assumptions must be presented explicitly in both public and technical reports."Resources within the solids were classified at this early stage in the project as inferred resources due to a number of factors, including:

- *the wide drill hole spacing*
- *incomplete sampling through the interpreted zones*
- *limited historical quality control procedures*
- *a significant nugget effect, and*
- *complex geology (multiple fold hinges and shears)*

An Inferred Mineral Resource is defined under the CIM Definition Standards as:

"An 'Inferred Mineral Resource' is that part of a Mineral Resource for which quantity and grade or quality can be estimated on the basis of geological evidence and limited sampling and reasonably assumed, but not verified, geological and grade continuity. The estimate is based on limited information and sampling gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. Due to the uncertainty that may be attached to Inferred Mineral Resources, it cannot be assumed that all or any part of an Inferred Mineral Resource will be upgraded to an Indicated or Measured Mineral Resource as a result of continued exploration. Confidence in the estimate is insufficient to allow the meaningful application of technical and economic parameters or to enable an evaluation of economic viability worthy of public disclosure. Inferred Mineral Resources must be excluded from estimates forming the basis of feasibility or other economic studies."

Resources estimates for the Caribou Property are all classified in the Inferred Category. There are limited historical quality control procedures and significant nugget effect, common to Meguma Type Gold Deposit. In addition drillhole spacings are considered wide for this style of mineralization and there is incomplete sampling through some of the interpreted zones.

Although information is well documented in assessment file and meets the standards required to complete and Inferred Resource Estimate all drill core, sample pulps and rejects were destroyed, during reclamation work that was completed on the property in the late 1999's. Drill hole and underground samples analytical results can only be confirmed by resampling programs.

Inferred Resources the Caribou Property as currently estimated as outlined in Table 11-3.

Table 11-3 Summary of Inferred Resource Estimate October 2007

Caribou Gold Deposit - Uncut Inferred Gold Resource

Material Class	Type	S.G.	Strings	Volume	Tonnes	Gold(g/t)	Gold in grams	troy ozs
Low grade	veins	2.65	1	58,982	156,301	1.766	276,028	8,875.5
Medium grade	veins	2.65	1	38,177	101,169	4.49	454,249	14,606.1
High Grade	veins	2.65	1	35,032	92,835	23.88	2,216,900	71,283.0
Total					**350,305**	**8.413**	**2,947,115.97**	**94,762.6**

Caribou Gold Deposit - Inferred Gold Resource - Gold Cut to 47 g/t

Material Class	Type	S.G.	Strings	Volume	Tonnes	Gold(g/t) cut to 47 grams	Gold in grams	troy ozs
Low grade	veins	2.65	1	60,892	161,362	1.741	280,931	9,033.2
Medium grade	veins	2.65	1	38,650	102,422	4.408	451,476	14,516.9
High Grade	veins	2.65	1	33,238	88,082	14.965	1,318,147	42,384.2
Total					**351,866**	**5.82765754**	**2,050,555.00**	**65,934.2**

11.4 Mineral Resource Estimate Statistics

Statistical analyses of the data were completed using Surpac Basic Statistics module and listed below in Table 11-4. A total of 14,891 samples were assayed for gold of which 3,832 samples contained gold values in excess of 0.5 g/t gold. The mean gold value for all samples is 1.82 g/t gold while samples containing 0.5g/t gold or higher mineralized sample, have a mean gold value of 5.88 g/t gold. The 5.88g/t gold value compares well with gold grades calculated in the cut inferred resource estimate. The cut gold grade value was determined by using statistical values from the all samples column (2 standard deviation (45.2) + the mean (1.8) = 47).

Table 11-4 Statistics for gold assays

Caribou Stats. - All Samples v.s. Mineralized Samples

Check sample Standard A	All samples (<.001 g/t gold)	Mineralized samples (<0.5 g/t)
Sample Numbers	14,891	3,832
Minimum:	0.001	0.5
Maximum:	771.8	771.8
Mean:	1.82	5.88
Variance:	227.09	753.07
Standard Deviation	22.61	27.44
Coefficient of variation	8.299	4.66
Skewness	29.64	16.33
Kurtosis	1,109.25	335.08
Median	0.19	1.4

12.0 INTERPRETATION AND CONCLUSIONS

The Caribou Property hosts significant zones of narrow high grade quartz vein and stock work gold mineralization. The narrow high grade veins are bedding parallel and wrap around the limbs and hinge of the Caribou Anticline. Stockwork gold mineralization forms elongate cigar shape mineralized shoots,
10 to 40 meters in diameter which plunge at 45 degree to the southwest. Arsenopyrite and minor base metal moralization is common found in association with the auriferous zones and will effect the way in which tailings will be dealt with, prior to any mining operations being permitted on the property.

The uncut Inferred Resource Estimate for the Caribou Property is 350,305 tonnes grading 8.81 g/t gold. Cut Inferred Resource Estimate is 351,000 tonnes grading 5.88 g/t tonne gold. Utilizing uncut gold assays, the Caribou Gold Deposit contains 395 oz/tonne gold per vertical meter and using cut assays it contains 275 oz/tonne gold per vertical meter. The cut grade is consistent with the mean grade of mineralized zones. The difference in the grade values can be attributed to the nugget effect associated with coarse grained gold typical found in Meguma hosted gold deposits. The estimate is of significant size and grade to warrant further exploration.

The resource was calculated from 10,940 drill core samples cut from 149 drillholes and 1599 underground channel samples taken during exploration programs completed between 1987 and 1998. The data was checked for accuracy and is considered reliable for this resource estimate. A total of 11,089 samples point were used to complete the estimate and is sufficient to provide adequate data density coverage over the mineralized areas. The resource estimate is considered to be conservative due to the use of a relatively low specific gravity value, cutting of the high gold values, and the inclusion of un-sampled core intervals at zero grade into the model.

Records indicated average gold grade mined at the Caribou deposit is 13 g/t gold indicative of the high grade nature of gold mineralization on the property. Historic records demonstrate that the property was mined to a vertical depth of 240 meters producing 108,250 oz. of gold or 450 ozs. of gold per vertical meter. Combining the Inferred Resource Estimate with the historic data indicates the property has potential to produce approximately 700 -800 ozs. of gold per vertical meter, below the 800 level.

There are two refurbished shafts on the property which permit access to the 800 level, along with extensive underground development work, allowing for quick access to mineralized zones for testing and mining and milling.

There is a high probability of adding significantly to the resource as presently outlined. Areas with additional

resource potential included extensions of the Hardlite Zone, the B-C Zone, and the Main Zone below the 800 level. In addition there are numerous high grade veins which may prove to be economic if mined properly. Other exploratory type targets would be the down-plunge extension to the Lake Lode stock-work and saddle reef style gold mineralization along the crest of the Caribou Anticline.

13.0 RECOMMENDATIONS

The following work is recommended for the Caribou Property with the main focus in two areas. Preliminary surveys (Phase One) would focus on increasing inferred resources by trenching and drill testing extensions of the stock-work zones and the crest of the Caribou anticline for high grade saddle reef style mineralization as started by Scorpio Gold Corporation last summer. Underground surveys (Phase Two) would focus on delineation drilling and test mining stock-work zones and high grade bedded veins. A cost estimate for the recommended work is provided in Table 14-0.

Phase One: Scorpio Gold Corp. has established the old Seabright Resources grid over the area extending from the Holman shaft northeast to the N.S.G.M. shaft. Further work would focus on drill testing two main areas. One thousand meters of drilling would test the apex of the Caribou Anticline for auriferous saddle reef style mineralization. Core from the 2007 drill program will be split and sent for analysis. An additional two thousand meters of drilling would test for extensions of stock-work mineralization along the south limb of the anticline. Holes would be directed at better defining the B-C zone, the Hardlite zone, and the potential extension of these zones below the 800 level. Limited trenching would be used to test the surface expression of the Main, B-C, and Hardlite stock-work zones. If results from phase one prove positive, Phase Two of the exploration program would be carried out

Phase Two: Initially the site would be secured and the underground workings would be dewatered over a 40 to 50 day period. The collars on both Holman and N.S.G.M shaft would be re-timbered. A temporary head frame erected on Holman Shaft would provide access to all of the underground workings. Underground exploration work would include drilling, and test sampling areas containing auriferous mineralization. Drilling would be directed at testing for stock-work gold mineralization below the 800 level, and in fill drilling to test stock-work zones on the south limb of the Caribou Anticline. Underground work would consist of cross cutting and drifting along stock-work zones, sampling 20 to 50 tonnes of stock-work material for metallurgical testing. Narrow high grade auriferous veins on the limbs of the anticline would be mined to determine grades and optimum mining width.

Table 14.0 - Cost Estimate for Recommended Work Program

Caribou Property - Phase One Surface Exploration	**Unit cost**	**Total Cost**
Labour - 2 geologists	60 days @ $650 per day	$39,000.00
- 2 field technicians	70 days @ $450 per day	$31,500.00
Compilation - (soil geochem and geophysical data)	14 mandays @ $350/day	$4,900.00
Geochemical - Assay 2007 drillcore (75 core samples)	75 core samples @ 30/sample	$2,250.00
Line cutting 60 kms @ 400/km	60 km @ $400/ km	$24,000.00
Surface trenching - 100 hours @ 100/hour	100 hrs @$110/hr	$11,000.00
Geochemical - 100 chip /channel samples (check samples)	125 rocks @ $30 /sample	$3,750.00
- 500 drill core samples	500 core @ $ 30 / sample	$15,000.00
- 5 large 100 kg sample from low grade pit	5 @ $1000 per sample	$5,000.00
Drilling - 1000 m test anticline axis for saddle reef style mineralization	1000m @ $125 per meter	$125,000.00
- 2000 m test for stock work zones proximal the Main Zone	2000m @ $125 per meter	$250,000.00
equipment rentals- pumps, saws, etc	$5,000.00	$5,000.00
field gear and supplies	$2,500.00	$2,500.00
communication	$2,000.00	$2,000.00
Transportation	$10,000.00	$10,000.00
Accommodations	$20,000.00	$20,000.00
travel expenses	$15,000.00	$15,000.00
Report writing	20 day @ 350 /day	$7,000.00
environmental monitoring water sample collection and analyses	$3,000.00	$3,000.00
Reclamation, timber fees, and bonding	$10,000.00	$10,000.00
Administrative / Overhead	(15% of total)	$87,547.50
Contingency (10%)	10% of total	$67,119.75
Phase One Total Costs		$740,567.50
Caribou Property -Phase Two Underground Exploration Program		
Construction of temporary camp/dry.	30 days @ 1000/day	$30,000.00
Trailer and equipment rentals	180 days @ 500,day	$90,000.00
Dewatering underground workings	60 days @ 600/day	$36,000.00
Construction of polishing ponds for mine water	10 days @ 500/day	$50,000.00
Setup hoisting gear, warehouse, etc	20 days @ 10,000/day	$200,000.00
Head frame and hoist rental	200 days @ 4000/day	$800,000.00
Re-entry / refurbishing underground workings	25 days @ 2000 /day	$200,000.00
equipment rental	assorted	$200,000.00
200 m of crosscut, slashing, and sill drifting	200 x 2000 /meter	$400,000.00
3000 of underground drilling ($125/m)	300 @ 125/m	$375,000.00
Analytical tests (50 tons bulk sample + core samples)	assorted	$50,000.00
Crushing and sample prep.	assorted	$20,000.00
Metallurgical tests	assorted	$20,000.00
Reclamation and bonding costs	assorted	$50,000.00
Labor - Geologists	360 mandays @ 350 / day	$126,000.00
-Consultant engineers	200 mandays @ 500/day	$100,000.00
- Field Technicians	360 mandays @ 200 / day	$72,000.00
expenses and field gear	assorted	$60,000.00
transportation	assorted	$30,000.00
accommodation and commutations	assorted	$50,000.00
Baseline environmental work	assorted	$15,000.00
Administrative / Overhead Costs (15% of total)	15% of total	$446,100.00
Contingency (10%)	10% of total	$342,010.00
Phase Two Total Costs		**$3,762,110.00**

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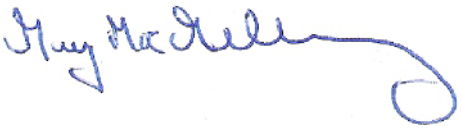
15.0 DATE AND SIGNING PAGE

The Technical Report for the Caribou Property, Upper Musquodoboit, Halifax County, Nova Scotia, N.T.S. 1 1-E -2B, Dated Oct 8, 2008." was completed at the request of Scorpio Gold Corporation and Cincoro Capital Corp. by the author on the date listed below.

Dated October 8, 2008

Author: Guy Mac Gillivray, P.Geo.

Signature: 

16.0CERTIFICATES OF QUALIFICATIONS

16.1Certificate of Qualified Person For Technical Report

a) Guy Mac Gillivray of 13 Gilfoy Road, Antigonish, Nova Scotia, Professional Geoscientist registered in the Province of Newfoundland (RN #02263)

b) This certificate applies to the technical Report titled “NI 43-101 Technical Report For the Caribou Gold Property, Upper Musquodoboit, Halifax County, Nova Scotia, N.T.S 1 1-E - 2B, Dated October 8, 2008 ”.

c) I have been employed in my profession for a total of thirty (30) years. This work has included employment with major and junior exploration companies, mining companies, and provincial governments in Canada,the United States and Mexico. I have been a registered Professional Geoscientist in the Province of Newfoundland, Canada, (RN #02263) since 1989.

d) I visited the property described in this report 8 times between the periods of March 15 and November 15, 2007.

e) I am responsible for preparation and filing of all of the technical Report titled " NI 43-10 1 Technical Report For the Caribou Gold Property, Upper Musquodoboit, Halifax County, Nova Scotia, N.T.S. 11-E -2B, Dated October 8, 2008.

f) I have no interest in the property, nor the company for whom this report was prepared. I am independent of Scorpio Gold Corporation and Cincoro Capital Corp. applying all of the tests in Section 1.4 of NI 43-101.

g) I have not had any prior involvement with the property that is the subject of this report.

h) I have read the definition of “qualified person” set out in National Instrument #43-101 and certify that by reason of my education, affiliation with a professional association (as defined in NI #43-101) and past relevant work experience, I fulfill the requirements to a be a “qualified person” for the purpose of NI #43-101.
I have read National Instrument 43-101 and confirm that the Technical Report entitled “NI 43-101 Technical Report for The Caribou Gold Property, Upper Musquodoboit Halifax County, Nova Scotia, N T.S. 11-E-25, Dated October 8, 2008” has been prepared in compliance with NI 43-101.

i) As of October 8, 2008, to the best of my knowledge, information and belief, this Technical

Report entitled "NI 43-101 Technical Report for the Caribou Property, Upper Musquodoboit, Halifax County, Nova Scotia, N.T.S. 1 1-E -2B, Dated October 8, 2008" contains all scientific and technical information that is required be disclosed to make the Technical Report not misleading.

Dated this the 8th day of October, 2008

Guy Mac Gillivray, B.Sc., PGeo.

Author: Guy Mac Gillivray, P.Geo.

Signature:

16.2 Address of Issuer

Technical Report for the Caribou Property, Upper Musquodoboit, Halifax County, Nova Scotia, N.T.S. 1 1-E -2B, Dated October 8, 2008, was prepared for Scorpio Gold Corporation and Cincoro Capital Corp. of the address listed below.

Corporate Head Offices:

Scorpio Gold Corporation- 995 Rue Germain, Val-d'Or, Quebec, Canada, J9P 7H7

Cincoro Capital Corp.- Suite 1200, 999 West Hasting St., Vancouver, BC., Canada, V6C 2W2

16.3 Consent of Qualified Persons

To: British Columbia Securities Commission; TSX
VentureExchange; Alberta Securities Commission.

I, Guy Mac Gillivray of 13 Gilfoy Rd, Antigonish, Nova Scotia, B2G 2L4, , do hereby consent to the public filing of the technical report titled "Technical Report On the Caribou Property, Upper Musquodoboit, Halifax County, Nova Scotia, N.T.S. 1 1-E -2B, Dated October 8, 2008 ", (the "Technical Report") and to extracts from or a summary of the Technical Report in written disclosures being filed.

Dated this 8 th Day of October, 2008

Author: Guy Mac Gillivray, P.Geo.

Signature: