REVISED

TECHNICAL REPORT ON THE

DANIELS POND DEPOSIT

AND PROPERTY HOLDINGS

Of

ROYAL ROADS CORP.

RED INDIAN LAKE AREA, NEWFOUNDLAND,

CANADA

Latitude 56º54'N, Longitude 48º36'W
NTS 12A/10, 12A/11

Prepared for

Royal Roads Corp.

by
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Mercator Geological Services Limited

Effective Date: April 29th, 2008
Revised Date: June 13th, 2008

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Summary

This report was revised on June 13, 2008 and reflects modification to the Phase 1 drilling budget of the Original April 2008 report. The authors have reviewed the recommendations in this report and find that the increased drilling budget is warranted.

In August 2006 Acadian Mining Corporation ("Acadian") acquired a controlling interest in Royal Roads Corp. ("RRO"), and at that time new management took over operation of the company. Mineral exploration completed by the new RRO management since August 2006 is considered relevant to this report as new work by the issuer.

Taiga Consultants were contracted to complete an updated NI43-101 Inferred mineral resource on the Daniels Pond deposit, to include drill holes up to and including those completed in 2005 and a final report was delivered to RRO in November 2006. Subsequent to the Taiga resource estimate Mercator was contracted to staff and manage a diamond drilling program at Daniels Pond in an effort to upgrade the Inferred mineral resource to an Indicated category. Drilling was continuous on the property from February 2007 to December 2007, with the exception of April and May where drilling was temporarily suspended for spring break-up allowances.

The 2007-2008 drilling program at Daniels Pond consisted of 83 holes for a total of 15,411 metres of which 71 holes totaling 13,355 metres were used in this resource calculation, namely holes DN-07-053 to DN-07-123. The drilling was designed to test the extents of the known deposit. All drilling was performed and completed by Springdale Forestry Resources of Springdale Newfoundland, using a Duralite 500 wireline diamond drill.

During the drilling program Mercator carried out a comprehensive QA/QC program. This program included; blind insertion of standards and blanks, and check assays which were analyzed first by Eastern Analytical of Springdale, NL, followed by a second lab, ALS Chemex in Sudbury, ON. Duplicates run by Eastern Analytical, as part of internal laboratory QA/QC program, were also evaluated by Mercator staff.

The resource estimate presented in this report reflects a three-dimensional block model developed by Mercator using Surpac© Version 6.0.1 deposit modeling software. Analytical results for 133 diamond drill holes were used in this model, of which 71 drill holes were from recent Company drilling. The model utilized 1 metre down-hole assay composites individually calculated for Zn%, Pb%, Cu%, Ag g/t, and Au g/t assay values. Model blocks measure 2.5 m x 2.5 m x 2.5 m with sub-blocking at 1.25 m x 1.25 m x 1.25 m. The model was constrained by multiple wireframed solids, based on geological sections that reflect a minimum included grade of 0.75% Zn over a 1.0 m downhole length. No high grade capping factors were applied due to the absence of significant outliers. The resource solids occur between the bedrock-overburden interface and a maximum depth of approximately 300 m below surface.

The final resource model was generated by running the 60 m x 60 m x 30 m interpolation ellipse. Estimation was performed using the ID2 method as it provided a more satisfactory visual grade distribution and correlation than the ID3 and nearest neighbour methodologies. Block grade, block density and block volume parameters were combined to produce the final deposit tonnage and grade estimate. Results of the resource estimation program are presented below and are

compliant with the Canadian Institute of Mining, Metallurgy and Petroleum Standards on Mineral Resources and Reserves: Definitions and Guidelines (the CIMM Standards) as well as disclosure requirements of National Instrument 43-101. Resources are classified in the Inferred and Indicated category.

Daniels Pond Deposit Mineral Resource Estimate by Zn% Cut-off – Effective March 11, 2008

Inferred Resource						
Zn % Threshold	Tonnes	Zn %	Pb %	Cu %	Au g/t	Ag g/t
1.0 Zn %	733,000	2.83	1.22	0.24	0.53	57.09
1.5 Zn %	445,000	3.88	1.74	0.27	0.52	81.63
2.0 Zn %	332,000	4.61	2.13	0.30	0.53	85.86
2.5 Zn %	236,000	5.59	2.79	0.32	0.55	112.31
3.0 Zn %	167,000	6.77	3.43	0.37	0.66	136.80

Indicated Resource						
Zn % Threshold	Tonnes	Zn %	Pb %	Cu %	Au g/t	Ag g/t
1.0 Zn %	1,513,000	3.70	1.73	0.27	0.56	79.37
1.5 Zn %	1,162,000	4.44	2.12	0.31	0.60	87.79
2.0 Zn %	929,000	5.13	2.50	0.34	0.63	101.40
2.5 Zn %	787,000	5.65	2.77	0.37	0.68	111.03
3.0 Zn %	602,000	6.55	3.23	0.42	0.74	127.37

At the effective date of this report the main mineralized trend reflected in the resource block model remained open at depth within the current deposit model. These opportunities warrant additional work and step out drilling has been recommended. Mercator has recommended an exploration program that includes additional diamond drilling on the Daniels Pond deposit and future exploration on the regional exploration targets outlined in this report. A detailed assessment of the digital compilation report should also be undertaken and in particular a thorough evaluation of the diamond drilling results from the more advanced exploration prospects.

Mercator was contracted in January of 2007 to complete a detailed digital compilation of past exploration within the Tulks North property from historical documents, assessment files and archival information. The final deliverable was presented in December 2007 and provides a readily accessible digital archive in the form of a Geographic Information System (GIS). As a result of this compilation, new targets for future exploration have been outlined on the property.

Additional exploration during 2007 included borehole Pulse EM surveys of selected drill holes at Daniels Pond, a ground based gravity survey from Daniels Pond to Daniels Extension, an HLEM survey at Daniels Extension and a soil geochemical survey on the Tims Creek grid.

Mercator provided geological staffing and project management services for the 2007-2008 diamond drilling undertaken on the Tulks North property. To date this drilling, in addition to the Daniels Pond program, has included 4 holes at the Parking Lot Zone, 4 holes at Daniels Extension and 1 hole at Harbour Round Pond. Assay values for the Daniels Extension drilling were pending at the time of this report.

1.0 Introduction and Terms of Reference

This Mineral Resource Estimate was prepared by Mercator Geological Services Limited (Mercator) on behalf of Royal Roads Corp (RRO) to meet the reporting requirements of National Instrument 43-101 and is considered to be in accordance with Canadian Institute of Mining, Metallurgy and Petroleum Standards on Mineral Resources and Reserves Definitions and Guidelines. Terms of reference were established through discussions between RRO staff and Mercator, at which time it was determined that the resource estimate was to be based upon validated results of both historic drilling, and drilling completed by RRO during 2007 and 2008 that was under the supervision of RRO management and the authors. The data used in the Resource Estimate includes RRO drilling results up to and including hole DN-07-123. Additional drilling at Daniels Pond has since been completed in early 2008 after the completion of the resource estimate. This data has not been incorporated into the current Resource Estimate.

As part of the resource, hard copy and /or digital records of historic data was assembled including complete drill logs, drill plans, assay records and laboratory records for drilling completed by RRO, all available records for Kelmet and other historic programs carried out on the property between 1960 and 1999. Based on the preceding, Mercator staff assembled and validated a digital drilling database upon which the three-dimensional resource estimate block model was developed using Surpac© Version 6.1 modeling software.

This report summarizes all of the mineral showings and deposits known by the authors to occur on the property. A general historical compilation of the region is provided as well as a detailed compilation of the most significant mineral showings identified by previous exploration on the property. All digital files associated with each showing were reviewed and catalogued with the pertinent information outlined in the appropriate section. The geology, exploration history and mineral potential of certain mineral exploration licenses, located in the Red Indian Lake area of central Newfoundland, are described in this report.

The principle author of this report is a Qualified Person as defined in National Instrument 43-101 and has been directly involved in recent exploration work on the property in the capacity of consulting geologist to RRO. In this role, he has participated in planning of surveys, undertaken field visits, core reviews, consultations with on-site Mercator technical personnel and RRO management, and completed data review and interpretation for the purposes of report writing.

2.0 Reliance on Other Experts

There has been no reliance on other experts in the preparation of this report.

This report was prepared by the author and Mercator staff for RRO, and the information and conclusions contained herein are based upon information available to Mercator at the time of report preparation. This includes data made available by both RRO and third party sources. Information contained in this report is believed reliable but the report is in part based upon information not within Mercator's control. Mercator has no reason, however, to question the quality or validity of the data used in this report. Comments and conclusions presented herein

reflect Mercator's best judgment at the time of report preparation and are based upon information available at that time.

This report also expresses opinions regarding exploration and development potential for the project, and recommendations for further analysis. These opinions and recommendations are intended to serve as guidance for future development of the property, but should not be construed as a guarantee of success.

Mercator is not a Qualified Person with respect to comments on environmental liability, validity of surface rights titles and other issues of land ownership in the province of Newfoundland and Labrador.

3.0 Property Description and Location

This report documents all property holdings of RRO which exist in central Newfoundland, Canada (Figure 1). The properties have been divided into two mineral properties, namely the Tulks North property and the Long Range Nickel property, each of which consists of individual mineral licences (Figure 2). As licence holders, the company has the exclusive right to explore for minerals within their boundaries of the mineral claim licences but does not own the surface rights. However, the company has secured land access with surface right holders for the purpose of mineral exploration. As described below, RRO has optioned selected mineral properties from other companies and the responsibility to complete required exploration expenditures lies with RRO. Licence boundaries for the mineral properties have not been legally surveyed.

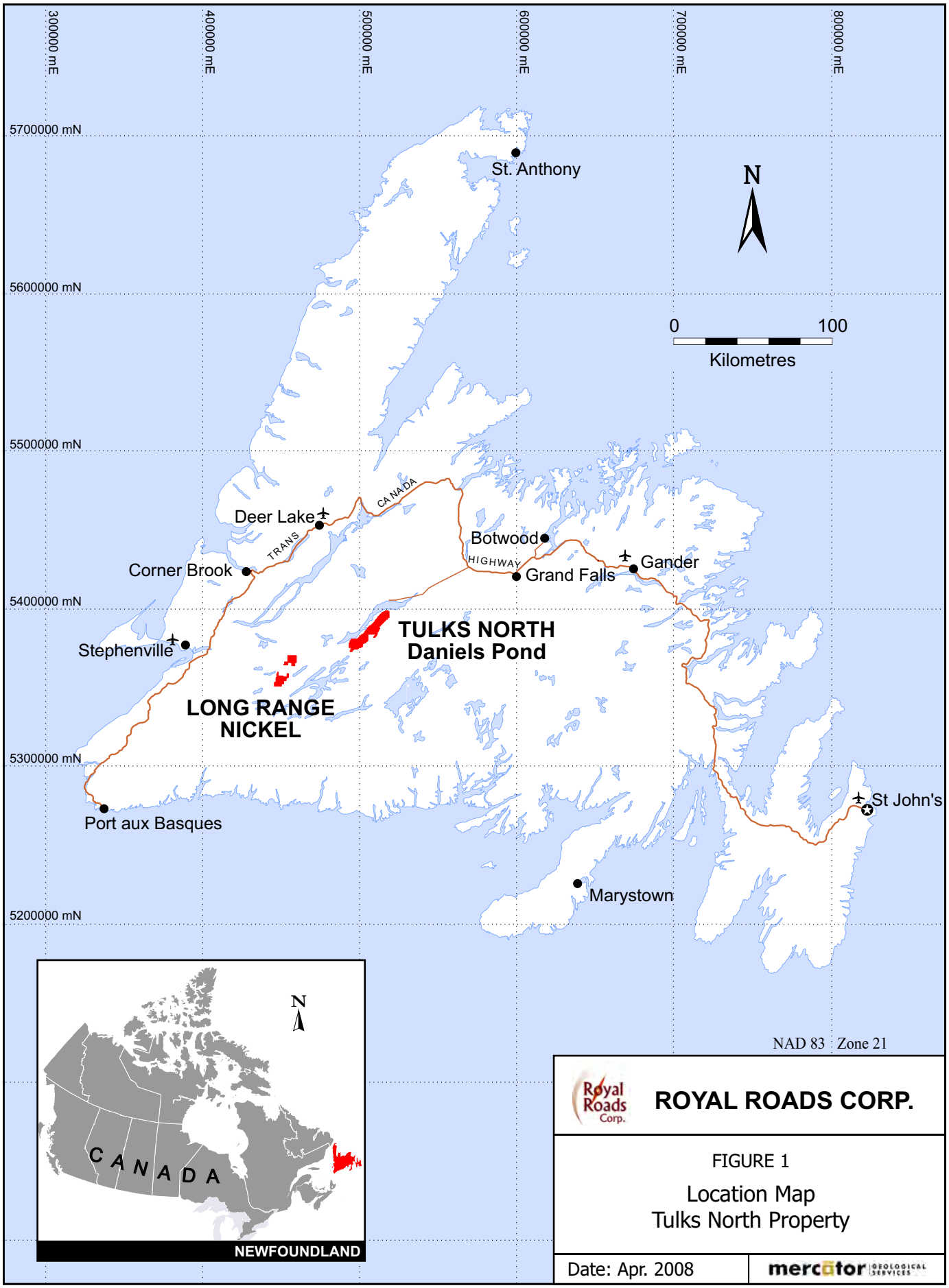
3.1 Tulks North Property

The RRO Tulks North property (the "Tulks property") is located on the southeast side of Red Indian Lake in the Buchans area of west-central Newfoundland, approximately 100 km to the southwest of Grand Falls and 20 km southwest of Millertown (Figure 1), by gravel road. The area is located approximately 600 road km to the northwest of the provincial capital, St John's.

The property is relatively flat with minor relief grading towards Red Indian Lake, and elevation above sea level ranges from approximately 250-300 m. Water drainage meanders regionally through wetlands and small water reservoirs, and eventually flows into Red Indian Lake.

The Tulks property comprises 727 unpatented mineral claims covering an aggregate area of 18,175 hectares as listed in Table 1 (see also Figure 3), centered on 507,000E/5,386,000N (UTM NAD27 for Canada, zone 21N). The entire property holdings are contained within the limits of NTS mapsheets 12A/10 and 12A/11.

The mineral rights held by RRO are comprised of mineral claims only, and do not include any mineral tenure grants, as outlined by early history AND Charter lands.


300000 mE
400000 mE
500000 mE
600000 mE
700000 mE
800000 mE
5700000 mN
5600000 mN
5500000 mN
5400000 mN
5300000 mN
5200000 mN
St. Anthony
N
0
100
Kilometres
CANADA
TRANS
HIGHWAY
Deer Lake
Corner Brook
Botwood
Grand Falls
Gander
Stephenville
TULKS NORTH
Daniels Pond
LONG RANGE
NICKEL
Port aux Basques
St John's
Marystown
NAD 83 Zone 21
CANADA
NEWFOUNDLAND
ROYAL ROADS CORP.
FIGURE 1
Location Map
Tulks North Property
Date: Apr. 2008
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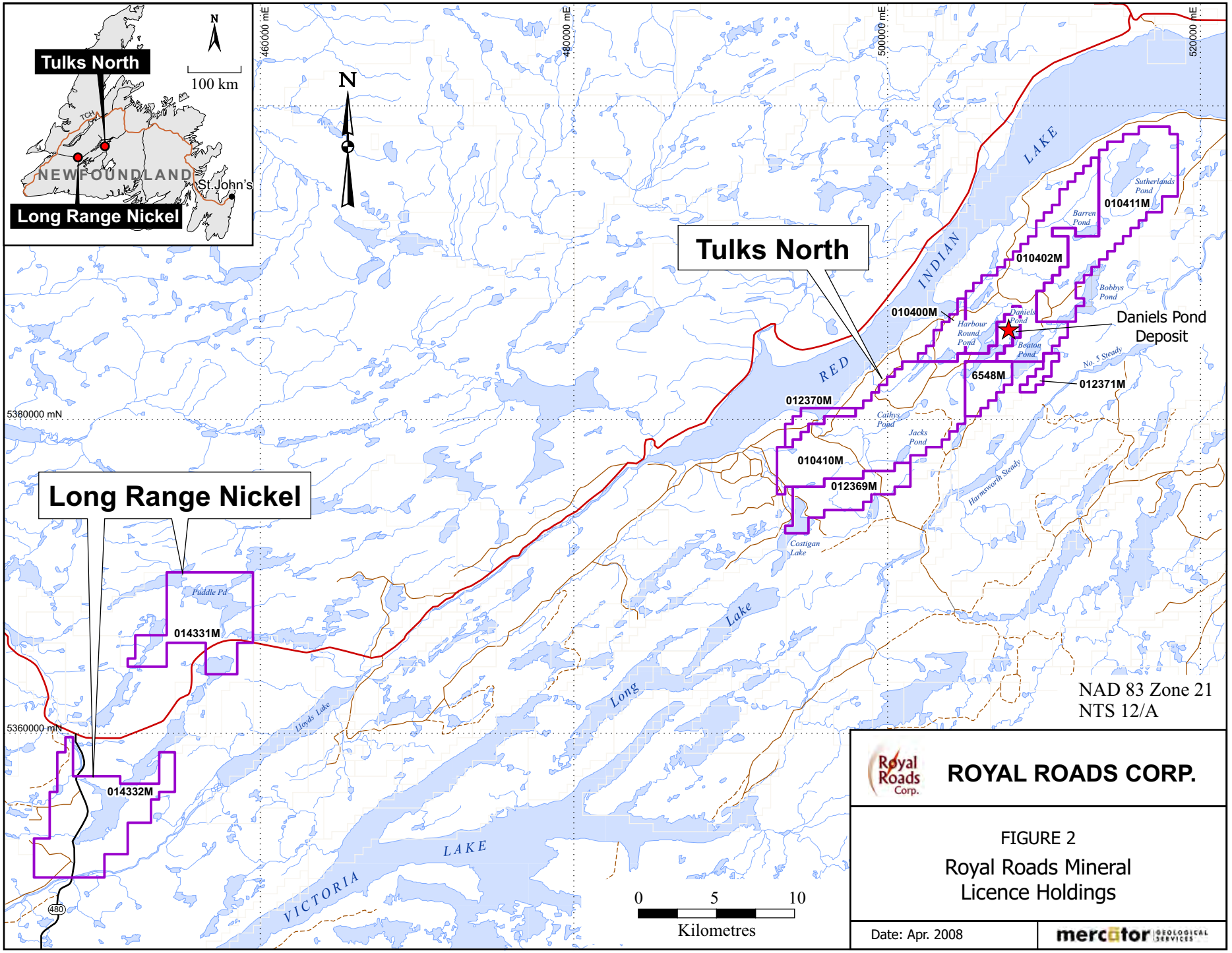
Tulks North
100 km
TCH
NEWFOUNDLAND
St.John's
Long Range Nickel
N
460000 mE
480000 mE
500000 mE
520000 mE
5380000 mN
5360000 mN
Tulks North
Long Range Nickel
INDIAN
LAKE
RED
Lake
Long
VICTORIA
LAKE
Sutherlands Pond
Barren Pond
Bobbys Pond
Daniels Pond
Harbour Round Pond
Beaton Pond
No. 5 Steady
Cathys Pond
Jacks Pond
Harmsworth Steady
Costigan Lake
Puddle Pd
Lloyds Lake
010411M
010402M
010400M
Daniels Pond Deposit
6548M
012371M
012370M
010410M
012369M
014331M
014332M
480
0
5
10
Kilometres
NAD 83 Zone 21
NTS 12/A
ROYAL ROADS CORP.
FIGURE 2
Royal Roads Mineral Licence Holdings
Date: Apr. 2008
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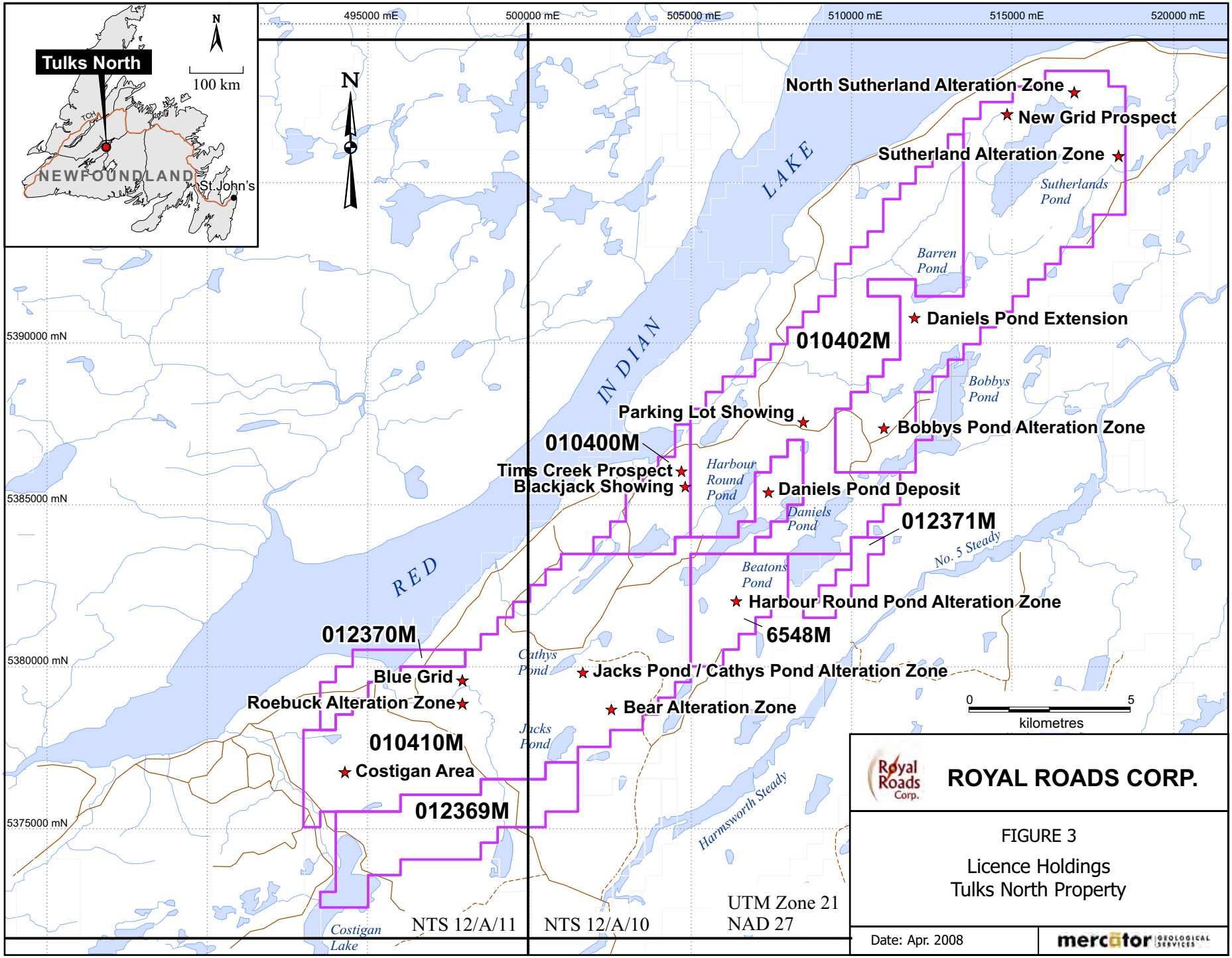

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FIGURE 3

Licence Holdings
Tulks North Property

Date: Apr. 2008

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Table 1: Claim Schedule, Tulks North Property

Licence No.	Total Number of Claims	Area (ha)	Date Issued	NTS Map Sheet
6548M	32	800	Jan 3, 1997	12A/10
10411M	169	4225	Jan 29, 1999	12A/10
10402M	176	4400	Jan 29, 1999	12A/10
10400M	25	625	Jan 29, 1999	12A/10
10410M	239	5975	Jan 29, 1999	12A/10
12369M	60	1500	Jul 27, 2006	12A/10 & 12A/11
12370M	17	425	Jul 27, 2006	12A/11
12371M	9	225	Jul 27, 2006	12A/10
TOTAL	**727**	**18175**		

The authors have visited the Tulks North area and no environmental liabilities are known to exist on the property. Should RRO wish to develop any mineral resource on the property, it would be subject to environmental and mine permitting that is regulated by the provincial government. The Duck Pond deposit (owned and operated by Teck Cominco) to the east of the RRO property has recently undergone a similar review and been approved for production, indicating the Newfoundland Government's willingness to support mining ventures in this area.

3.1.1 Encumbrances and Agreements

The property is held by RRO (formerly Kelmet Resources) in an agreement with Noranda Inc. (Noranda, now Xstrata PLC.). Terms of the agreement included a commitment for Kelmet Resources/RRO to spend a total of $1.8 million over five years (ending February 8, 2004) in order to obtain a 100% interest in the property, subject to a 1.5% Net Smelter Return (NSR) and a 50% back-in option for Noranda, should a single deposit of 15M tonnes or greater be discovered and deemed economic upon completion of a feasibility study.

The letter agreement with Noranda dated February 8, 1999 originally granted Kelmet Resources the right to earn a 100% interest in the minerals claims. Effective April 1, 2002, Kelmet Resources amalgamated with RRO and the resultant company retained *Royal Roads Corp.* as its name. Under the amalgamation, RRO assumed all rights and obligations of Kelmet's original agreement with Noranda, and has subsequently met the financial terms of that agreement; however, the 1.5% NSR agreement and back-in option with Noranda still exist.

3.2 Long Range Nickel Property

The RRO Long Range Nickel property (the "Long Range property") is located approximately 35 km southwest of Red Indian Lake, just north of the Lloyds River valley, in Central Newfoundland. The area is approximately 140 km southwest of Grand-Falls and 600 km west of St. John's. Millertown is the closest centre of convenience, located approx 90 km to the northeast.

The property sits on a relatively low lying plateau surrounded by low relief topography. The slope gradient trends gently down to the southwest into Lloyds Lake, and water drainage follows this trend flowing into the Lloyds River before eventually flowing northeast into Red Indian Lake. Recent clearcutting has allowed improved access to parts of the property with the remainder consisting of wetland and forested scrubland.

The Long Range property comprises 295 unpatented mineral claims covering an aggregate area of 7,375 hectares as listed in Table 2 (see also Figure 4), as two non-contiguous licences. Licence 14331 is centered on 456,000E/5,367,000N, and licence 14332 on 448,000E/5,354,000N (coordinates are UTM NAD27 for Canada, zone 21N).

The mineral rights held by RRO are comprised of mineral claims only, and do not include any mineral tenure grants, as outlined by early history AND Charter lands.

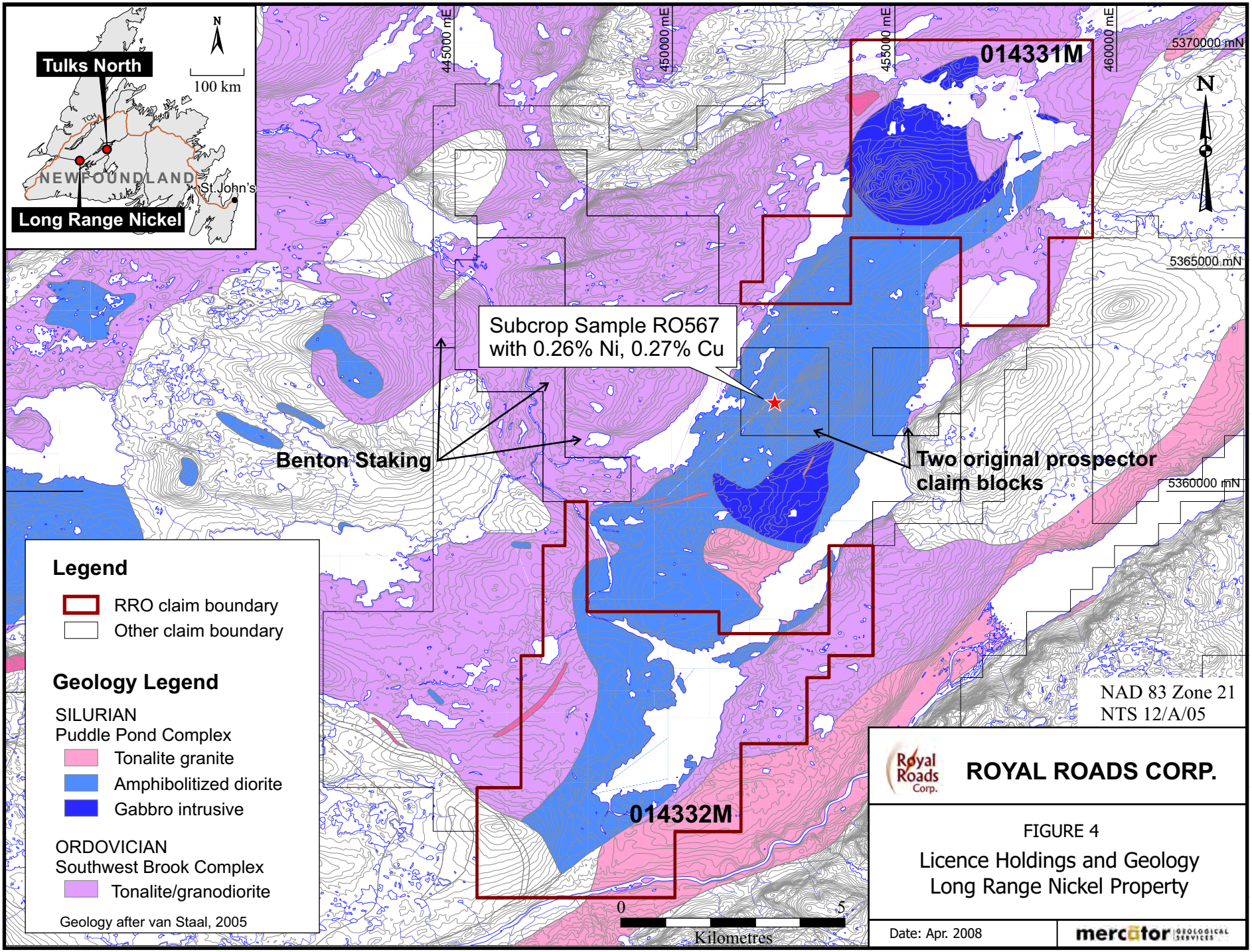
Table 2: Claim Schedule, Long Range Nickel Property

Licence No.	Total Number of Claims	Area (ha)	Staked Date	NTS Map
14331M	132	3300	Nov. 8, 2007	12A/05
14332M	163	4075	Nov.8, 2007	12A/05
TOTAL	**295**	**7375**		

The authors did not visit the Long Range Nickel property area for the purposes of this report but it is understood that the exploration are undeveloped and that no environmental liabilities exist on the property. Should RRO wish to develop any mineral resource on the property, the property would be subject to environmental and mine permitting that is regulated by the provincial government.

3.2.1 Encumbrances and Agreements

An agreement between RRO and Roland Quinlan, Eddie Quinlan, Kevin Keats, and Allan Keats (collectively the "Prospectors") was made on December 17th, 2007. This agreement outlined the conditions granting the Prospectors 0.5% each (2.0 % as aggregate) of a Net Smelter Return (NSR) arising from commercial production of a mineral reserve within the current RRO property


Tulks North
Long Range Nickel
NEWFOUNDLAND
St. John's
100 km
N
445000 mE
450000 mE
455000 mE
460000 mE
5370000 mN
5365000 mN
5360000 mN
014331M
014332M
Subcrop Sample RO567
with 0.26% Ni, 0.27% Cu
Benton Staking
Two original prospector
claim blocks
Legend
RRO claim boundary
Other claim boundary
Geology Legend
SILURIAN
Puddle Pond Complex
Tonalite granite
Amphibolitized diorite
Gabbro intrusive
ORDOVICIAN
Southwest Brook Complex
Tonalite/granodiorite
Geology after van Staal, 2005
0
5
Kilometres
NAD 83 Zone 21
NTS 12/A/05
ROYAL ROADS CORP.
FIGURE 4
Licence Holdings and Geology
Long Range Nickel Property
Date: Apr. 2008
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holdings (refer to Section 3.2.1). The agreement entitles RRO full rights to use and publicly disclose any and all information previously presented to RRO with respect to the Prospectors property (Figure 4). The Prospector's properties includes mineral licences 11409M & 10062M and are located between, but not contiguous with, the two RRO licences.

Complete details of the agreement are documented in the NSR Agreement in Appendix 3.

3.3 Exploration Title

Mineral exploration claims in Newfoundland and Labrador are issued under the Mining Act of Newfoundland and Labrador, 1983 ("the Act") and adjudicated under terms of associated Regulations.

Work requirements of the Newfoundland government include an annual expenditure of $200.00 per claim in the first year, rising by $50.00 per claim until year 5; then the cost is $600.00 per claim per year from year 6 to year 10, 900.00 per claim per year for years 11 to 15, and $1,200.00 per claim per year for years 16 to 20. The type of acceptable work for assessment purposes is defined in The Act, and includes most conventional exploration survey methods. Staking dates and other pertinent information regarding the RRO mineral claim holdings are outlined in tables 1 & 2.

4.0 Accessibility, Climate, Local Resources, Infrastructure, and Physiography

Access to both properties is via all-season paved highway from Badger to Millertown followed by a network of gravel forestry roads, four-wheel drive bush roads and all-terrain vehicle trails. Much of the property has been actively clear-cut by Abitibi-Price, but no known operations are currently being conducted. Logging activities have led to construction and refurbishment of a number of new and existing forestry roads in the area, permitting ready access to most of the property. The Tulks property flanks the eastern side of the main forestry road along the southern shore of Red Indian Lake, commonly referred to as the Roebucks Road. The Long Range property is eventually bisected by this same road where it intersects the Burgeo Highway from the west, and is also bisected (licence 14331M) by a major powerline extending between the main grid and a nearby 18kW hydro generating station approximately 30km to the northeast.

Field supplies, fuel and logistical support are available in Millertown or Buchans. Contract geotechnical personnel including drill companies and assayers are available in either Grand Falls or Springdale. The closest deep-water port is 125 km northeast in Botwood (Figure 1), formally used as the loading terminus for the past-producing Buchans Mine. The main power line from Grand Falls to Corner Brook passes through Buchans 10 km to the north of the Tulks property's northeast corner (approx. 30 km by road). A core storage facility operated by the Newfoundland Government is available for use in Buchans. This facility is used by private exploration companies, and much of the core from historic drilling on the property is stored at this location. Viewing and re-sampling of core can be arranged under government supervision.

The climate of central Newfoundland is characterized as northern maritime, with relatively cool summers and winters with an overall annual average temperature of 3.5°C. The area receives an

average annual precipitation of 873.3 mm of rain and 331 mm of snow, for a combined total average annual precipitation of 1204.3 mm (data from Environment Canada, received at the Badger meteorological station).

The Tulks North property exhibits moderate relief, containing a series of northeast trending hills and ridges which step up to the northeast from the shores of Red Indian Lake (Figure 2). The claim block holdings contain numerous northeast striking small lakes and ponds that eventually drain into Red Indian Lake. Bedrock exposure is generally good to fair, with the best exposure on ridgelines. The property is covered with a typically thin to locally thick layer of poorly sorted glacial till. Sizable portions of the property have been harvested for forest products, and where tree cover remains it consists of stunted spruce and balsam with rare pine.

5.0 History

5.1 Tulks North Property

The following account of exploration history in the Tulks North region was substantially excerpted or summarized from Chisholm (1999), and Regular (2006).

1905-1926: In 1905 the Anglo-Newfoundland Development Company (AND) was granted timber, water and mineral rights to a 6000 km^2 (2300 sq. mi.) land package (the Terra Nova or Charter lands) in south central Newfoundland. Shortly afterward, prospectors found showings of lead, zinc and barite in the Buchans River area. These showings eventually led to the discovery of the Buchans mine. In 1906, the Victoria Mine deposit was also found by prospecting.

1926: Asarco acquired the rights to the Buchans deposit from AND together with exclusive exploration rights for the next fifty years to the area within a 48 km (30 mile) radius of the deposit.

1926-1960: Asarco put the Buchans mine into production in 1929. By 1947 depleting ore reserves forced the company to do intensive exploration in the mine area. Two new orebodies, Rothmere and MacLean were discovered in 1947 and 1950, respectively. These deposits kept the mine in production until it closed in 1984. Due to poor access, apart from 1:12,000 mapping, little exploration was conducted in the Tulks North area during this period.

1960-1975: Asarco initiated various regional exploration programs including soil geochemical, ground EM and magnetic surveys, geological mapping and diamond drilling. The Tulks Hill deposit (Figure 6) was found in 1961. At the end of 1975, the Terra Nova properties reverted from Asarco back to Abitibi-Price the successor company to AND.

1976-1984: Abitibi flew two Questor AEM surveys over the Tulks area (1976 and 1979) and continued detailed ground follow-up exploration and drilling. This work led to the discovery of the Tulks East and Jacks Pond deposits in 1977 and 1980 respectively.

1985-1991: BP Resources Canada Ltd. (BP) purchased the mineral rights to Abitibi's Terra Nova properties. Though interested in base metals, BP's primary focus was gold. Apropos of this, it prepared a compilation of all previous exploration and had all (available) sample rejects from previous soil sampling, trenching and drilling analyzed for gold. BP flew an Aerodat AEM survey over the Tulks North area in 1988 and continued with programs of ground geophysical and geochemical surveys and drilling. These programs combined with detailed soil and basal till sampling of prospective zones led to the discovery of the Daniels Pond deposit in 1989 (Figure 6). In 1991 BP suspended all exploration activities and put all its Terra Nova property assets up for sale.

1992-1997: Noranda Inc. purchased the mineral rights to the Terra Nova properties (the *Charter Lands*) and conducted extensive regional and local lithogeochemical sampling to identify and delineate prospective alteration zones. This was followed up with systematic geochemical screening of isolated and/or formational AEM conductors along the Tulks belt. This work led to new discoveries including the Roebuck Alteration Zone, Cathys Pond Zone, Parking Lot Showing, Daniels Extension, Bobbys Pond South Alteration Zone and Sutherlands Pond Alteration Zone (Figure 6). Preliminary drilling returned encouraging results and further work was recommenced to fully evaluate many of these targets.

1998: Noranda elected to farm out all its central Newfoundland mineral properties.

1999: Kelmet Resources Ltd. optioned the Tulks North property and completed 106.6 km of cut or flagged grid lines, prospecting, VLF-EM ground surveys, 2513 soil samples and drilled five diamond drill holes totaling 895.8 metres.

2000: Kelmet Resources Ltd. completed linecutting, prospecting, VLF-EM surveys, rock sampling, geological mapping and diamond drilling. Drilling consisted of 8 holes totaling 2,031.36 m.

2001: Kelmet Resources Ltd. completed linecutting, prospecting, VLF-EM surveys, geological mapping and diamond drilling totaling 498.79 m in three holes.

2002: RRO completed 134.65 km of linecutting on three grids, 87.31 kms of VLF-EM surveys, 75.21 kms of geological mapping /prospecting, and 3,014.70 m of diamond drilling in 15 holes.

2003: RRO completed line cutting, VLF-EM/magnetometer surveys, MMI survey and diamond drilling on Jacks Pond alteration zone (Licence 9054M, now 10410M), and five diamond drill holes on the Daniels Pond base metal deposit (Licence 9726M, now 10410M). Prospecting/rock sampling were undertaken on Licences 9054M (now 10410M), 6548M and 9731M (now 10411M).

2004: RRO completed a regrouping of mineral claims on the Tulks North Project, filed for permits to drill and tendered drilling costs to local drilling companies for

Licences 6548M, 10410M and 10411M. The unavailability of diamond drills resulted in drilling in 2005.

2005: RRO completed 2,163 m of diamond drilling with 15 holes on the Daniels Pond (Licence 10410M), Harbour Round Pond (Licence 6548M) and Daniels Extension (Licence 10411M) prospects. Gridding and a gravity survey were completed over the Daniels Extension and the Bobbys Pond alteration zone (Licence 10411M).

The GSC updates the geological map of the Lake Ambrose bedrock geology map sheet at a 1:50,000 scale as part of a Targeted Geoscience Initiative named the Red Indian Line Project (Open File 4544).

2006: Taiga Consultants Ltd. of Calgary published an updated 43-101 compliant resource estimate for the Daniels Pond deposit, reflecting the most recent infill drilling campaign. New management and board of directors take over the RRO operations in October.

2007 RRO contracted Mercator Geological Services to complete a compilation of all data for the Tulks North property and correspondingly develop a MapInfo database.

RRO initiates a two-phase diamond drill program on the Daniels Pond deposit, resulting in 70 holes drilled totaling 13,455 m. In addition, 4 holes were drilled on the Parking Lot zone totaling 838 m. A gravity survey was conducted over the Daniels Pond deposit, and tied into the existing gravity grid over the Daniels Extension prospect. Borehole Pulse EM surveys were conducted on 5 drill holes, in Daniels Pond.

2008 RRO continues delineation drilling on the Daniels Pond deposit, as well as completing drilling on select regional targets (Harbour Round Pond, 1 hole; Daniels Extension, 4 holes). A gravity survey was completed to infill the existing surveys at Daniels Pond and Daniels Extension. HLEM surface geophysics was conducted over Daniels Extension. Soil surveying was completed on the Tims Creek Prospect.

5.2 Long Range Nickel Property

The following historical description was excerpted and modified from The First Year Assessment Report of Prospecting and Geochemical Investigations on Licence # 11409M, The Lucky Moose property, composed by Roland Quinlan September 27, 2006.

1875 James P. Howley (assistant director and later director of GSC in NL) conducts a reconnaissance trip from the Bay of Exploits, navigating and mapping down the Exploits, Victoria and Lloyds rivers accompanied by Micmac guides.

1934 Hans Lundberg performs reconnaissance trip to the Terra Nova properties (AND Charter lands). No details of his trip are included here.

1957 1:250,000 scale geological mapping by GSC (Riley, 1957) of the west half of the Red Indian Lake map area

1977 1:50,000 scale geological map published by the Newfoundland Department of Mines and Energy for the Victoria Lake area.

1977(++) Regional exploration by Hudson's Bay Oil and Gas, Abitibi-Price, BP-Selco, and Noranda)

1979 Herd and Dunning construct geological map for the Puddle Pond NTS map sheet (12A/5), and also map the Anneiopsquotch Igneous Complex

1980 Hudson's Bay Oil and Gas optioned property within NTS map sheep 12A/5 from Abitibi-Price, and flew airborne EM-magnetometer survey, conducted mapping, prospecting, and whole rock lithogeochemical analysis.

1985 AND Charter lands transferred from Abitibi-Price to BP-Selco

1987 West Coast Ventures conducted a field program to analyze the gold potential of a small occurrence near the Burgeo highway and surrounding area. This included geological mapping, prospecting, and rock and soil sampling,

2005 The GSC updates the geological map of the Puddle Pond bedrock geology map sheet at a 1:50,000 scale as part of a Targeted Geoscience Initiative named the Red Indian Line Project (Open File 1664).

2007 Royal Roads stakes licences 14331M and 14332 (Long Range Nickel Project).

6.0 Geological Setting

6.1 Regional Geology

The current Royal Roads property holding focuses exploration within the Central (Iapetan) Mobile Belt (CMB) of Newfoundland. This NE-SW trending belt consists of at least two technostratigraphic subzones and is of Appalachian orogenesis. The CMD can be further subdivided into the Dunnage Zone and the Gander Zone (Figure 5).

The properties described within this document are located within the Dunnage Zone of the Newfoundland Appalachians and represents vestiges of Cambro-Ordovician continental and intra-oceanic crusts, back-arc basins, and ophiolites that formed in the Iapteus Ocean (Williams, 1979; Kean et al., 1981; Swinden, 1990, Williams 1995). The zone is divided by an extensive fault system (the Red Indian Line) into a western peri-Laurentian segment (Notre Dame and Dashwoods subzones), and an eastern peri-Gondwanan segment (Exploits Subzone). In the immediate property area, the Red Indian Line separates the Notre Dame Subzone (Buchans Group), which formed on the Laurentian or North American side of the Iapetus Ocean, from the Exploits Subzone (Victoria Lake Supergroup), which formed on the Gondwanan side of Iapetus.

Deformation associated with the final closure of Iapetus culminated during the Late Silurian (Colman-Sadd et al., 1992), at which time, thrusting and folding juxtaposed these initially geographically distinct volcanic belts. The two main subzones of the Dunnage Zone (i.e., Notre Dame and Exploits subzones) have been conclusively differentiated based on stratigraphic, structural, faunal, and isotopic characteristics (Williams et al., 1988).

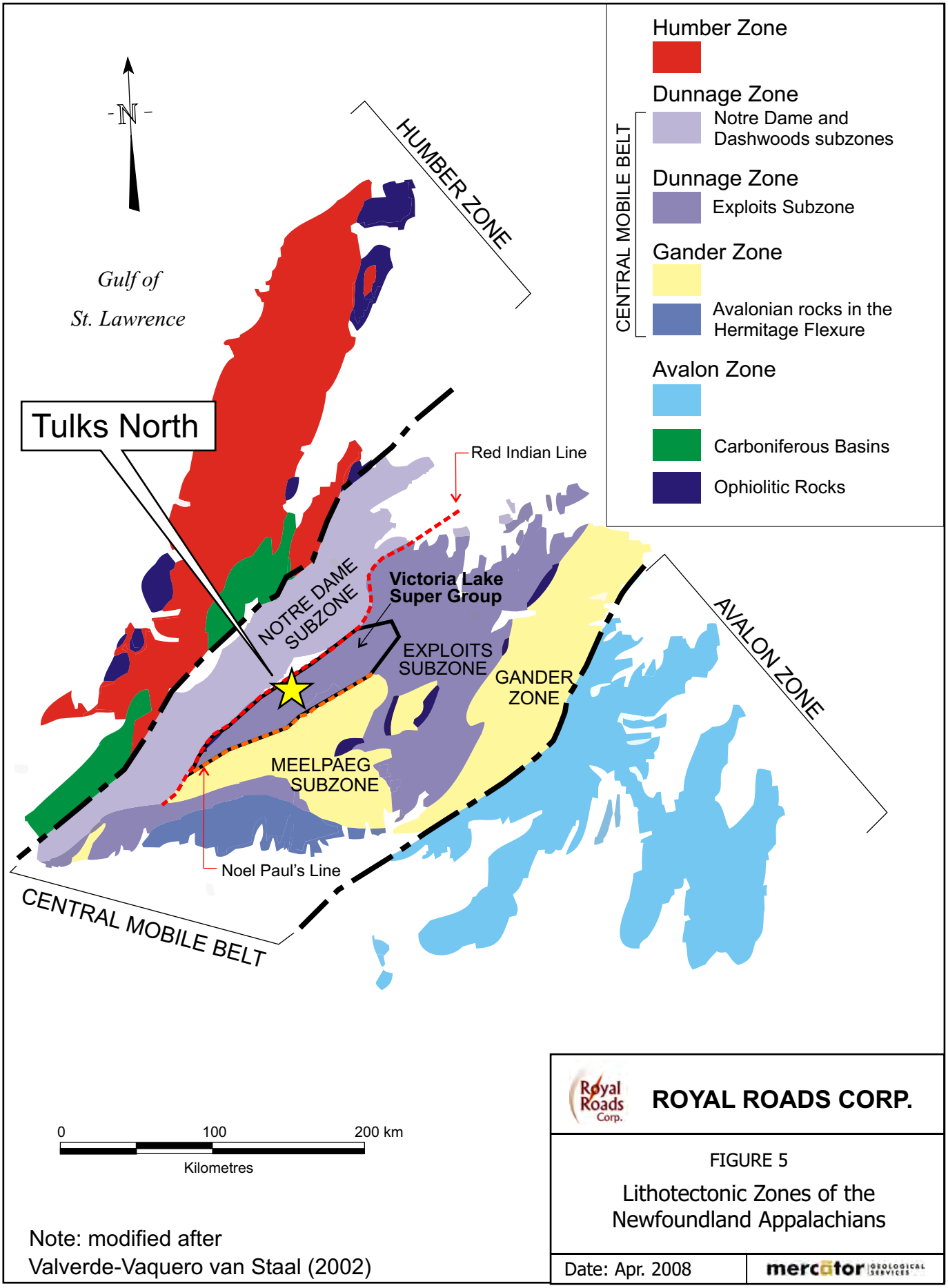
6.1.1 Tulks North Property

The Tulks Volcanic belt (TVB) forms part of the Exploits Subzone, and represents remnants of one or more bimodal Cambrian to Ordovician volcanic-arc sequences. Together with adjacent volcanic and sedimentary belts of variable tectonic affinities and ages, it belongs to the informally defined Victoria Lake Supergroup (VLSG), Evans and Kean (2002). Evans and Kean (2002) subdivide the VLSG into the TVB (ca. 498 Ma), the Long Lake belt (dominated by volcanic and volcaniclastic rocks, ca. 505 Ma), and the Tally Pond Volcanic belt (ca. 515 Ma). In addition to these age differences, Evans and Kean characterize and differentiate belts of the VLSG based upon their inherent tectonic affinities as defined by trace element geochemistry of basaltic rocks within the various belts (e.g., active arc, arc-rift, back-arc, and mature arc as categorized by Swinden, 1991). The TVB along with the Tally Pond Volcanic Belt are hosted in the northern terrain of the VLSG, and are host to the bulk of the economic deposits and prospects within the VLSG (Figure 6).

To the southwest, the Noel Paul's Line defines the southeastern margin of the VLSG (and Exploits Subzone) from the Meelpaeg Subzone, of the Gander Zone (Figure 5). The VLSG is overlain by the Harbour Round Formation (HRF) siltstone and basalts to the west of the property. The HRF is believed to be in thrust contact further to the west with the older lower to middle Ordovician Buchans Group (Jambor & Barbour, 1987).

The TVB covers an area of approximately 8 by 65 km, trending from northeast-southwest. It is a bimodal volcanic belt dominated by felsic volcanics (flows, pyroclastics and epiclastic rocks) and variable amounts of intermixed mafic volcanics and sedimentary rocks. The age of the TVB is constrained by a U/Pb age of 498 +6/-4 from a small felsic subvolcanic porphyry located near the Tulks Hill deposit (Evans et al., 1990). More recent geochronological data collected in the belt by the GSC (van Stall et al., 2005) suggests younger rocks also occur in the belt, including volcanic rocks dated at ca. 487 Ma, 462 Ma, 453 Ma (Hinchey, 2007 and references therein). The most common rock types of the TVB are grey to white, quartz ± feldspar porphyritic submarine volcanic rocks, including felsic fragmentals ranging from massive flows through to coarse, blocky, flow breccias, lapilli and ash tuffs, to epliclastic deposits, as well as lesser mafic volcanics comprised of flows, breccias and epiclastic rocks. Felsic subvolcanic porphyries have also been mapped locally in the belt (e.g., Evans et al., 1990).

The belt is also host to formational sedimentary units which often include carbonaceous/graphitic sediments that in some cases are intimately associated with mineralized horizons hosting volcanogenic massive sulphide (VMS) style mineralization (e.g., Daniels Pond deposit). Many of these formational sedimentary belts are well mapped by historical airborne electromagnetic surveys flown throughout the belt by past explorers.



Note: modified after Valverde-Vaquero van Staal (2002)

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FIGURE 5

Lithotectonic Zones of the Newfoundland Appalachians

Date: Apr. 2008

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The TVB hosts several significant VMS deposits, as well as numerous prospects and showings (numbers 1 to 18, Table 3, Figure 6) of which the larger deposits typically occur in clusters of multiple sulphide lenses. The main deposits in the belt include from South to North, the recently discovered Boomerang deposit (includes the Domino and Hurricane lenses), the Tulks Hill deposit (a cluster of four separate sulphide lenses, T-1 to T-4) and the Tulks East deposit in the southern half of the TVB. The main deposits of the northern half of the TVB include the Jacks Pond, Daniels Pond and Bobbys Pond deposits. Of these, the Jacks Pond and Daniels Pond deposits are located within the RRO Tulks North property. A summary table showing historical and current NI 43-101 compliant resource estimates for the aforementioned deposits is presented in Table 3.

Table 3: Summary of tonnage and grade for VMS deposits of the Tulks Volcanic Belt

Deposit	Tonnes	Zn (%)	Pb (%)	Cu (%)	Ag (g/t)	Au (g/t)	Cut Off Criteria	NI43-101 Compliant	Reference
Boomerang - Indicated	1,364,600	7.09	3.00	0.51	110.4	1.66	1% Zn	Yes	De Mark & Dearin, 2007 (Snowden)
Boomerang - Inferred	278,100	6.72	2.88	0.44	96.5	1.29	1% Zn	Yes	De Mark & Dearin, 2007 (Snowden)
Domino - Inferred	411,200	6.3	2.8	0.4	94	0.6	1% Zn	Yes	De Mark & Dearin, 2007 (Snowden)
Tulks Hill (historic estimate)	720,000	5.6	2.0	1.3	41.0	0.4	none	No	McKenzie et al., 1993
Tulks East (historic estimate)									
A Zone	>5,000,000	1.50	0.12	0.24	8.50	n/a	none	No	Barbour & Thurlow, 1982
B Zone	230,000	8.69	1.26	0.66	58.7	0.14	none	No	Barbour & Thurlow, 1983
C Zone	900,000	n/a	n/a	n/a	n/a	n/a	<1% combined Zn+Pb+Cu	No	Barbour & Thurlow, 1984
Jacks Pond (historic estimate)	Four sulphide lenses, termed A, B, C and D comprise the Jacks Pond deposit. The lenses range in size from 200 000 to 900 000 tonnes						none	No	Barbour & Thurlow, 1982
Daniels Pond - Indicated	929,000	5.13	2.50	0.34	101.40	0.63	2% Zn	Yes	Mercator, 2008 (for RRO)

Deposit	Tonnes	Zn (%)	Pb (%)	Cu (%)	Ag (g/t)	Au (g/t)	Cut Off Criteria	NI43-101 Compliant	Reference
Daniels Pond - Inferred	332,000	4.61	2.13	0.30	85.86	0.53	2% Zn	Yes	Mercator, 2008 (for RRO)
Bobbys Pond - Indicated	860,000	6.30	0.53	0.93	20	0.247	2% Cu equivalent	Yes	Agnerian (2007) (Scott Wilson RPA)
Bobbys Pond - Inferred	480,000	6.36	0.38	1.07	15	0.18	2% Cu equivalent	Yes	Agnerian (2007) (Scott Wilson RPA)

6.1.2 Long Range Nickel Property

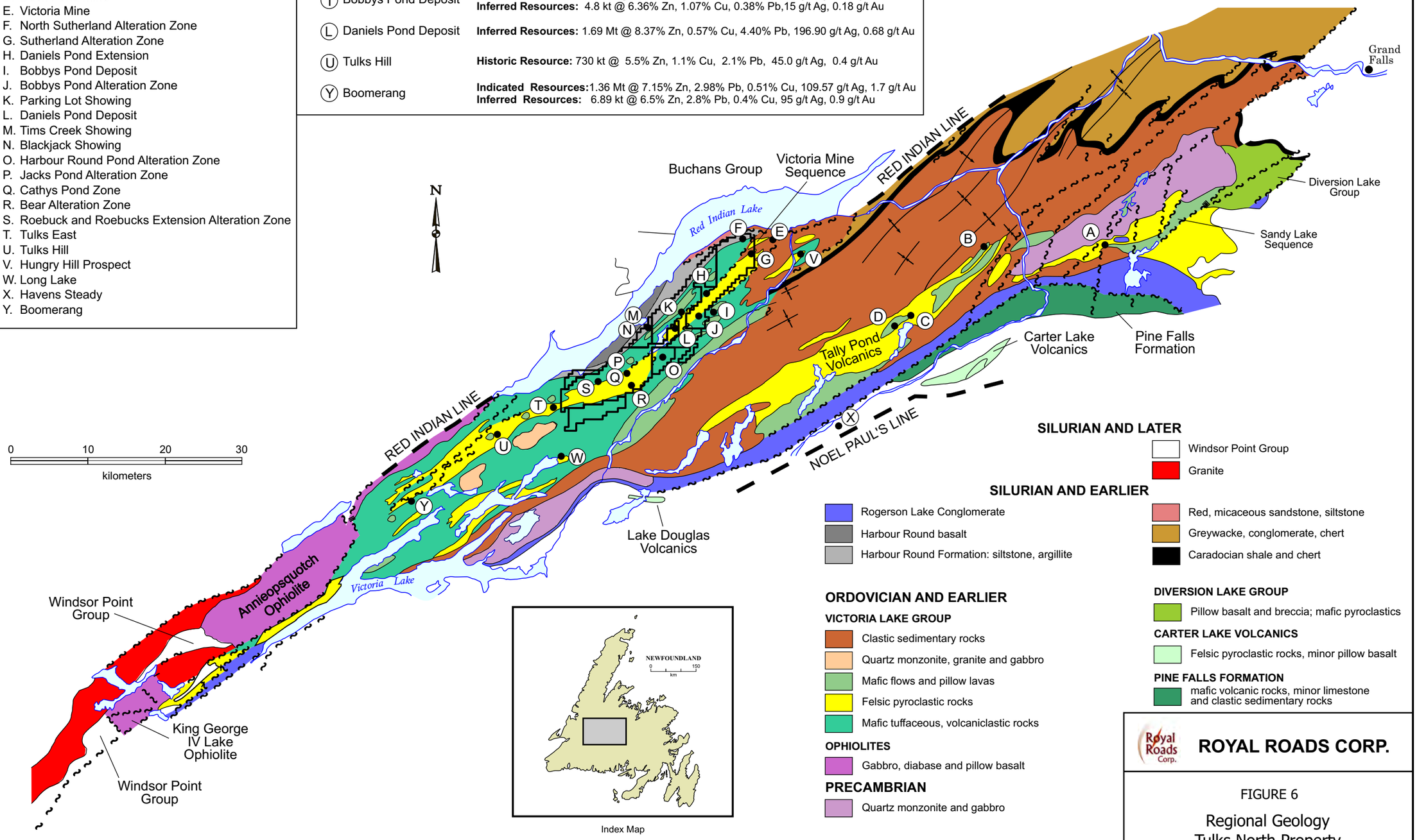
The Long Range Nickel property lies within the Southwestern portion of the Dunnage zone, as part of the peri-Laurentian Notre Dame Subzone (Figure 5), and is predominantly underlain by late mafic Silurian to Devonian intrusives of the Puddle Pond Complex (431Ma, van Staal, 2005). The regional host to the intrusive is the Southwest Brook Complex (461Ma, van-Staal 2005), an early to middle Ordovician tonalite to granodiorite with numerous mafic to ultramafic enclaves giving the rock a migmatic appearance Figure 4.

The Southwest Brook Complex is structurally bound to the NW by the Long Range Fault separating the Dunnage Zone from the Humber Zone; to the SW by the normal faulted contact with the Cormacks Lake Complex (<455Ma, van Staal, 2005); and to the SE by the thrusted contact with the Annieopsquotch Opiolite complex (480Ma, van Staal, 2005). The Annieopsquotch complex is in turn bound to the SW by a thin layer of the peri-Laurentian Victoria Lake Supergroup juxtaposed on the NW flank of the Victoria Lake Fault.

The Lloyds River Valley is a strong topographic lineament approximately 10 miles to the south of the property, and is described as a mylonitic shear zone. Record of late fault movement in the valley is seen on the valley floor as a thick gouge zone and a laterally more extensive area of brittle fracture. This lineament roughly divides the Southwest Brook Complex from that of the Annieopsquotch Complex.

A. Old Sandy Road Prospect
B. Burnt Pond Prospect
C. Boundary Deposit
D. Duck Pond Mine
E. Victoria Mine
F. North Sutherland Alteration Zone
G. Sutherland Alteration Zone
H. Daniels Pond Extension
I. Bobbys Pond Deposit
J. Bobbys Pond Alteration Zone
K. Parking Lot Showing
L. Daniels Pond Deposit
M. Tims Creek Showing
N. Blackjack Showing
O. Harbour Round Pond Alteration Zone
P. Jacks Pond Alteration Zone
Q. Cathys Pond Zone
R. Bear Alteration Zone
S. Roebuck and Roebucks Extension Alteration Zone
T. Tulks East
U. Tulks Hill
V. Hungry Hill Prospect
W. Long Lake
X. Havens Steady
Y. Boomerang

(D) Duck Pond Mine	**Proven & Probable Resources:** 4.1 Mt @ 5.7% Zn, 3.3% Cu, 59.0 g/t Ag, 0.9 g/t Au **Inferred Resources:** 1.1 Mt @ 7.1% Zn, 3.0 Cu, 71.0g/t Ag, 0.8 g/t Au
(I) Bobbys Pond Deposit	**Indicated Resources:** 8.6 kt @ 6.3% Zn, 0.93% Cu, 0.53% Pb, 20 g/t Ag, 0.24 g/t Au **Inferred Resources:** 4.8 kt @ 6.36% Zn, 1.07% Cu, 0.38% Pb,15 g/t Ag, 0.18 g/t Au
(L) Daniels Pond Deposit	**Inferred Resources:** 1.69 Mt @ 8.37% Zn, 0.57% Cu, 4.40% Pb, 196.90 g/t Ag, 0.68 g/t Au
(U) Tulks Hill	**Historic Resource:** 730 kt @ 5.5% Zn, 1.1% Cu, 2.1% Pb, 45.0 g/t Ag, 0.4 g/t Au
(Y) Boomerang	**Indicated Resources:** 1.36 Mt @ 7.15% Zn, 2.98% Pb, 0.51% Cu, 109.57 g/t Ag, 1.7 g/t Au **Inferred Resources:** 6.89 kt @ 6.5% Zn, 2.8% Pb, 0.4% Cu, 95 g/t Ag, 0.9 g/t Au



SILURIAN AND LATER
- Windsor Point Group
- Granite

SILURIAN AND EARLIER
- Rogerson Lake Conglomerate
- Harbour Round basalt
- Harbour Round Formation: siltstone, argillite
- Red, micaceous sandstone, siltstone
- Greywacke, conglomerate, chert
- Caradocian shale and chert

ORDOVICIAN AND EARLIER

VICTORIA LAKE GROUP
- Clastic sedimentary rocks
- Quartz monzonite, granite and gabbro
- Mafic flows and pillow lavas
- Felsic pyroclastic rocks
- Mafic tuffaceous, volcaniclastic rocks

OPHIOLITES
- Gabbro, diabase and pillow basalt

PRECAMBRIAN
- Quartz monzonite and gabbro

DIVERSION LAKE GROUP
- Pillow basalt and breccia; mafic pyroclastics

CARTER LAKE VOLCANICS
- Felsic pyroclastic rocks, minor pillow basalt

PINE FALLS FORMATION
- mafic volcanic rocks, minor limestone and clastic sedimentary rocks

Ref. Evans, D.T.W. And Kean, B.F., 2001: Volcanogenic Massive Sulphides Red Indian Lake Area, Central Newfoundland; Open File Report 2756

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FIGURE 6

Regional Geology
Tulks North Property

Date: Apr. 2008

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6.2 Property Geology

The Tulks North property was visited by Mercator geologists in relation to the RRO diamond drill program at the Daniels Pond property between 2007 to early 2008. Mercator has not been involved in any other property scale on-site assessment, and did not visit the regional property holdings for the preparation of this report. The property has been the subject of detailed local grid scale mapping by BP, Noranda, Kelmet, RRO, and others. With the exception of Daniels Pond and Parking Lot Zone, all property scale geological descriptions are taken from government assessment reports, published literature, or other relevant sources referenced below.

Mercator has not visited or otherwise investigated the geology of the Long Range Nickel project. Information pertaining to the property geology of the Long Range Nickel property has been obtained from Newfoundland Government assessment files, and open file publications from the Geological Survey of Canada referenced below.

6.2.1 Tulks North Property

The Tulks North property is underlain by a series of northeast trending interfingered submarine felsic pyroclastics and flows containing interbedded mafic flows and fine-grained, locally graphitic interflow volcaniclastic sediments. Stratigraphic relationships of the TVB and surrounding geology are summarized in and Figure 6.

The VLG hosts more than 130 known mineral occurrences and deposits (Kean and Evans, 1988). A considerable number of these occur in the TVB as well as in the rocks of the Tally Pond Formation. The Tulks North property alone is host to 14 known mineral showings and deposits, which are discussed later in this report.

The property covers the northern half of the TVB, where the belt is dominated by submarine felsic, intermediate and mafic volcanic rocks. The rocks are comprised of: felsic flows ranging from massive flows through; fragmentals of coarse, blocky, flow breccias, lapilli and ash tuffs; and lesser mafic volcanics predominantly comprised of pillowed to massive flows, breccias and lesser epiclastic rocks. Associated intrusive rocks include amygdaloidal mafic dykes and sills, while associated sedimentary rocks include graphitic argillite and greywacke. These rocks have been metamorphosed to greenschist facies and have endured moderate to strong deformation, resulting in tight isoclinal folding and development of multiple penetrative cleavages of which the dominant cleavage is generally sub-parallel to bedding, and strikes northeast-southwest (Rogers et al., 2005). Tight to isoclinal folds are reported to possess highly variable plunges with respect to direction and dip, and evidence of large-scale folding is sparse (Rogers et al., 2005). Stratigraphy strikes northeast-southwest and typically dips very steeply northwest to locally southeast, where it is overturned as observed at the Daniels Pond deposit. The belt is transected by late shear zones and brittle faults.

6.2.2 Long Range Nickel Property

This 73.5 km^2 property covers a large gabbroic intrusive body including olivine bearing to ultramafic phases collectively known as the Puddle Pond Complex. Maps recently published by the GSC (van Staal, C.R., 2005) outline the limits of the body, which they describe as being Silurian in age and locally hosting showings of sulphide mineralization. The host rock to the nickel and copper mineralization is described as being dark to black hornblende gabbro. Nickel and copper are associated with pyrrhotite within magmatic sulphides disseminated throughout the host rock, and are not associated with any apparent alteration. Outcrops of similar appearance can be found throughout the property and are suggested to occur in late stage sills and dykes (Quinlan 2006).

7.0 Deposit Types

7.1 Tulks North Property

The Daniels Pond deposit and surrounding Tulks North mineralized prospects and deposits are representative of a Volcanogenic Massive Sulphide (VMS) deposit type. The deposits and showings are predominantly zinc, lead, copper, with lesser silver and gold. The amounts of each metal vary throughout the Tulks Volcanic Belt. The volcanic origin of the belt is highlighted by many features consistent with the formation of seafloor volcanogenic fluid deposition. Mineralization can occur as exhalative semi-massive to massive sulphide accumulations proximal to a seafloor vent in the form of tabular bodies, stockwork stringer style mineralization in the underlying altered stockwork zone, or as bands or stringers radiating laterally from a discharge.

This deposit type covers a variety of depositional modes, however all share common fundamental characteristics. The plumbing of the fluid system arises from some form of sub-surface heat source effectively convecting metal-enriched hydrothermal fluids from depth to surface, which are then deposited as metal laden sulphide minerals upon quenching with the cool oceanic seafloor, usually as polymetallic sulphide lenses at or near the water-rock interface. These deposits display rather large spatial zones of alteration within their footwall volcanic sequences, which are generally proportional to the size of the potential deposit, and enable localized targeting by vast regional exploration. The Tulks style deposits are generally comprised of a number of semi-conformable massive sulphide lenses consisting of pyrite, chalcopyrite, and sphalerite ± galena.

The best large scale example of a VMS deposit within the area is the Buchans Mine, which is primarily comprised of base-metal sulphides and barite, and show strong similarities to the Kuroko style deposits of Japan (Thurlow, 1981). The mine historically produced 16,196,876 tonnes of ore from the five known major orebodies. The average grades are reported to be 14.51% zinc, 7.65% lead, 1.33% copper, 126 grams per tonne silver, and 1.37 grams per tonne gold. The historic Buchans orebodies comprise three distinct, but genetically related deposit types and occur as in-situ ore, mechanically transported ore, and stockwork ore (Thurlow and Swanson, 1981).

The Duck Pond Mine, a VMS deposit which lies approximately 30 km east of the property, is currently in production with proven and probable reserves of 4.1 million tonnes at an average grade of 3.3% Cu, 5.7% Zn, 59 g/t Ag and 0.9 g/t Au. In addition to the reserves, there are 1.1 million tonnes of inferred resources at a grade of 3.0% Cu, 7.1% Zn, 71 g/t Ag and 0.8 g/t Au.

7.2 Long Range Nickel Property

The Long Range Nickel property is thought to be an example of a magmatic nickel deposit type. A broad group of deposits containing nickel, copper and platinum group elements (PGE) occurs as sulphide concentrations associated with a variety of mafic and ultramafic magmatic rocks. The magmas originate in the upper mantle, below the earth's crust, and contain small amounts of nickel, copper, PGE, and variable but minor amounts of sulphur. As the magmas ascend upward through the crust, they cool as they pass through cooler crustal rocks. If the original sulphur content of the magma is sufficient, or if sulphur is added from crustal wallrocks, a separate sulphide liquid forms as droplets dispersed through the magma. Because the partition coefficients of nickel, copper and PGE, as well as iron favor sulphide liquid over silicate magma, these elements preferentially transfer into the sulphide droplets from the surrounding magma. The sulphide droplets tend to sink towards the base of the magma because of their greater density, and form concentrations of sulphide. On further cooling, the sulphide liquid crystallizes to form the ore deposits that contain these metals.

In nickel-copper sulphide deposits, nickel constitutes the main economic commodity, generally at grades of about 1 to 3 %. Copper may be either a co-product or by-product, and cobalt, platinum group elements (PGE) and gold are usual by-products. Other commodities recovered in some cases include silver, sulphur, selenium, and tellurium. These metals are all associated with the sulphides, which generally make up more than 10% of the ore.

Voiseys Bay is perhaps the most widely recognized magmatic Ni-sulphide deposit in Canada and respectively one if the most substantial deposits with average grades of combined proven and probable reserves equaling 32Mt of 2.75% Ni, 1.59% Cu, and 0.14% Co (INCO Limited, Annual Report 2005).

8.0 Mineralization

Previous exploration has identified two types of mineralization on the Tulks North property. Volcanogenic massive sulphide has been the primary focus of past exploration programs. BP also reported a zone of epithermal alteration southwest of the Bobbys Pond deposit in 1989, at what has been termed the Bobbys Pond alteration zone. This zone has been shown to contain high sulphidation-type epithermal mineral assemblages consistent with epithermal gold models. It has not been determined if epithermal mineralization was coeval with the VMS systems or a separate event. The main mineralized targets within the RRO holdings have been outlined below.

8.1 Tulks North Property

The VMS-style mineralization realized throughout the property can be described as massive sulphide mineralization and appears to be associated with quartz ± feldspar phyric felsic volcanic rocks. This includes, but not exclusively, rhyolite flows and fragmentals, as well as epiclastic rocks. Alteration associated with massive sulphide mineralization includes broad semi-conformable sericite-sulphide (predominantly disseminated to stringer pyrite) alteration, as well as more proximal and discrete chlorite alteration which ranges from pervasive weak to moderate chloritization and sericitization, to more local strong chloritization and sericitization with local development of base metal sulphide-bearing chlorite stockwork immediately below massive sulphide mineralization, as observed locally beneath the Daniels Pond deposit. Conveniently referred to as sericite alteration here, pale light green micaceous/clay alteration observed in the hanging wall and footwall of the Daniels Pond deposit has been noted by Hinchey (2007b) to locally include pyrophyllite. Chlorite stockwork observed by the authors locally host grey to white carbonate veining described as "chaotic carbonate" in other VMS deposits of the VLSG (Duck Pond, Squires et al., 2001; Hinchey, 2007a).

8.1.1 Bear Alteration Zone

This prospect is defined by a large outcrop on the side of a logging road (Figure 6). The main showing is comprised of altered felsic to intermediate fragmental volcanics. Mineralization at the Bear Alteration zone appears in outcrop as a mass of volcaniclastic fragments, with the matrix composed of fine-grained sericite and quartz containing up to 20% very fine-grained pyrite (Dadson, 2001, 012A/1104). Kelmet drilled a single diamond hole in the area in 2000 (BA-00-1). The hole intersected a large number of rock units including mafic and felsic tuffs, and fragmental units. Only narrow stingers of pyrite, pyrrhotite, galena and sphalerite were intersected over the full 197 metres. The best assay was over a short 16 cm length returning: 0.68% Cu, 8.90% Pb and 6.90% Zn. The results suggest evidence that VMS-type mineralization occurs in the area and further exploration is warranted on the property.

8.1.2 Blue Grid

This prospect was outlined by a field mapping project conducted in 2000 by Kelmet geologists to follow-up a series of airborne EM conductors combined with the occurrence of semi-massive pyrite mineralization at Roebuck's Junction (Figure 6).

Prospecting in the area exposed numerous outcrops including from felsic to intermediate volcanics interfingered within maroon coloured sedimentary sequences. No drilling has been conducted on the property.

No significant sulphide mineralization was located beyond that of some minor pyritic zones.

8.1.3 Bobby's Pond Alteration Zone

The Bobbys Pond alteration zone is a broad NE-trending target characterized by assemblages of altered felsic volcanics, with local matrix replacement by pyrophyllite, alunite and native sulfur. The alteration was delineated by geophysical techniques, and varies in surface thickness,

averaging 300 m. To the southeast of this unit, a quartz-eye bearing felsic volcanic unit was mapped by BP resources, commonly associated with pyritic gossan outcrops at surface. Further, to the southeast a similar NE-SW trending amygdaloidal basalt unit is mapped (Figure 6).

Early exploration within the alteration zone revealed some anomalous gold values, and extensive matrix replacement with native sulphur, pyrophyllite, and allunite. This type of mineralization is thought to be indicative of gold-bearing epithermal systems. Such zones are known to host silver/gold deposits that may be characterized as being relatively small in size, but rich in precious metal content (Panteleyev, 1988).

8.1.4 Costigan Area

This prospect is located on the SW portion of the Tulks North property, and consequently the geographic centre of the Tulks Belt. The property is situated along strike north-east from the Tulks East massive sulphide prospect and south-west from the Jacks Pond prospect (Figure 6). It is assumed to correlate well with the on-strike stratigraphy of these two prospects.

Mineralization of this prospect is not well understood. The presence of anomalous gold has been reported in heavy mineral samples, and transported auriferous boulders have been reported. No bedrock sourcing has been located for these anomalies and it is postulated that they are not locally sourced.

8.1.5 Daniels Pond Deposit

The Daniels Pond deposit is a felsic bimodal hosted Zn-Pb-Cu VMS deposit, with the bulk of accumulated minerals in the younger felsic volcaniclastic sequence (Figure 6, Map 1). The deposit sits on the north limb of the Victoria Lake anticlinorium, and is locally overturned with stratigraphy dipping steeply to the SE and facing to the NW. The general strike orientation of stratigraphy is 025º azimuth.

Alteration assemblages occur stratigraphically below the main mineralized horizon and include sericite, pyrophyllite, silica, and chlorite. This alteration intensifies in the SW portion of the deposit, but is apparent along the strike of the deposit suggesting a broad lateral hydrothermally altered system. The most intense alteration is characterized by quartz-carbonate stockwork hosting iron-rich chlorite with associated stringer and disseminated sphalerite and galena. The concentration of chalcopyrite is commonly related to the presence and concentration of sphalerite and galena.

Mineralization consists of disseminated, stringer, and laminated semi-massive to massive argentiferous zinc-lead-copper sulfides, mainly in the form of sphalerite, galena and chalcopyrite. Silver content is particularly high for typical TVB-VMS deposits, and occurs in its native form and in tennantite-tetrahedrite assemblages (MacKenzie, 1993). Gold is also present in association with base metals, with values up to 4.11g/t over 40cm (drill core). Stratiform mineralized zones range from a few centimetres up to five metres in true width. Gangue minerals include pyrite and quartz-carbonate. Barite is also present as a gangue mineral, and has been noted to range in concentrations from 1,000 to 10,000 ppm (BP, 1991). High grade material is generally confined to less than 5 m of true thickness within the mineralized envelope; however,

can reach concentrations as high as 17.70% Zn, 7.89% Pb, 0.98% Cu, 273.6 g/t Ag and 0.96 g/t Au over an estimated true width of 7.44 m as noted in the near surface hole DN-07-111.

Drilling in 2007 suggests that the deposit is categorized as at least two distinct parallel lenses based on the composition and character of the mineralization, termed the southwest (SW) and the northeast (NE) lobes.

The SW lobe contains high grade base metal enriched sulphides and distinct sericite-chlorite-silica alteration within the stratigraphic footwall volcanics, and appears to increase in true thickness towards the surface where the main mineralized horizon is exposed. Locally, the presence of black chlorite alteration associated with quartz carbonate stringers systems in the stratigraphy underlying significant base metal accumulation, relate to a possible feeder system.

In contrast, the NE lobe is dominated by a generally conformable massive pyrite body with associated semi-massive to massive base metal enrichment along its outer boundaries. Base metal grade tends to be low to barren within the massive pyrite lense, with grade generally not exceeding around 2.36% Zn, 0.76% Pb, 0.28% Cu, 37.6 g/t Ag and 0.77 g/t Au over an estimated true width of 17.21 m as noted in hole DN-07-088. The texture of the pyrite lense demonstrates a weakly laminated character suggesting it is not intimately part of the base metal feeder system (Kelly, 2001), and may have formed as part of a distal system to that of the base metal bearing SW lobe. Drilling by RRO has shown this lense to have a limited strike length (approximately 100 m) but has been traced down dip to 350 m where it remains open. True thickness of the massive pyrite can range from less than 10 cm to 22 m.

8.1.6 Daniels Extension

Mineralization at Daniels Extension has been confirmed from basal till soil sampling and subsequent diamond drilling (Figure 6). The prospect is comprised of locally laminated pyrite-rich bands of semi-massive to massive sulphides as well as local base metal enriched stringers associated with sericite-altered felsic volcanics. The 2005 drill program was successful in intersecting base metal mineralization in all four holes, occurring as stringer style and semi-massive to massive sphalerite and galena bearing sulphides. Of particular interest, hole DPX-05-2 intersected base metal stringer style mineralization with assays grading 2.68% Zn, 1.30% Pb, and 0.06% Cu over 60cm (measured as length along drill core), and what appears to be sulphide enriched laminated exhalative semi-massive to massive horizon over 0.63 m in hole DPX-05-1 which failed to return significant assay.

The limits of the known mineralization defined by drilling remain open to the NE and SW, and down-dip.

Four addition holes have been drilled on this prospect by RRO to test regional geophysical target

8.1.7 Harbour Round Pond

Harbour Round Pond is exclusively contained within licence 6548M (Figure 6). The prospect can be sub-divided into north and south target horizons, with the former postulated to be on

strike with Cathys Pond prospect and the Daniels Pond deposit, and the latter being the initial target for drilling by Asarco in 1975.

The northern area is underlain by sericite-altered fragmental felsic volcanics and narrow intercalated intermediate flows and sediments. Mineralization is comprised of disseminated and stringer-style pyrite, lesser chalcopyrite and minor sphalerite/galena. Four drill holes have been completed on the horizon including one recent hole (HRP-08-1) drilled by RRO in February of 2008. Drilling in 2005 intersected base-metal accumulations hosted in quartz-carbonate veins, grading up to 3.10% Zn, 0.01% Pb, 0.37% Cu, and 3.2g/t Ag over 0.27m in hole HRP-05-1.

The southern area is also underlain by altered felsic fragmental volcanics. In 1975, Asarco completed two drill holes (JP-1 and JP-2) as follow-up to a mineralized outcrop with coincident ground EM. Six additional holes have been completed across 1.7 km strike length in the area following a regional airborne EM survey. Numerous intersections with base metal stringer mineralization were noted, although the only reported anomalous value was 0.43% Zn, 0.57% Pb, 0.04% Cu, 2.6 g/t Ag over 1.45 m found in hole JP-35.

8.1.8 Jacks Pond and Cathys Pond Alteration

The Jacks Pond alteration system has been interpreted to represent a classic discordant chloritic feeder-pipe enveloped by a sub-concordant pyrite and sphalerite bearing siliceous stockwork (Figure 6). These zones have been shown to be stratiform in nature, forming tabular southwest dipping bodies. Host rocks consist of fine-grained feldspar phyric, crystal-vitric tuff and lapilli tuff. The stratabound nature of mineralization is thought to be the result of structural elongation in the Tulks Belt. Barbour and Thurlow (1982) have interpreted the Cathys Pond horizon to be the exhalative cap to the extensive Jacks Pond alteration system.

The Cathys Pond horizon is comprised of northeasterly dipping felsic volcanics that display locally intense alteration and mineralization. Stratiform base metal mineralization containing pyrite, sphalerite and galena are hosted in strongly sericitized felsic tuffs. Multiple mineralized intersections in single drill holes suggest that the zone may contain stacked sulphide horizons.

The Jacks Pond alteration zone contains four massive sulphide lenses (A, B, C, D) hosted in a complex and extensive alteration system that is believed to be the largest in the Tulks Belt. Three of the sulphide lenses (A, B, C) occur as massive to semi-massive stringer sulphides and have been interpreted to occupy the same stratigraphic horizon. The D lens however, is unique, containing multiple zones of fine grained, locally layered, massive pyrite. Locally, this lens contains clasts of pyrite, felsic volcanics, and rare chalcopyrite.

Pyrite is the dominant sulphide mineral, but the lens also contains minor chalcopyrite and traces of sphalerite and galena. Barbour and Thurlow (1982) interpreted the D lens to represent syngenetic deposition of sulphides at the rock/water interface.

The A and B lenses occur as ellipsoidal mineralized zones containing massive pyrite cores that grade into stringers and disseminations of pyrite. Pyrite is by far the most abundant sulphide mineral, while chalcopyrite, sphalerite and galena are rare. Barbour and Thurlow (1982) suggested that these lenses were part of a stockwork or hydrothermal system.

Characteristics of the C lens are similar to that of the D lens. The chief difference being the former does not display the well defined bedding and layering of the latter. The C lens is also thought to be the result of syngenetic sulphide deposition. Drill intersections also suggest that the alteration zone is better developed to the southwest (Barbour and Thurlow 1982).

In 1991, drill hole JP-43 cored 24.4 m of disseminated and thinly banded sphalerite and galena in a quartz phyric tuff with the best 1.3 m section returning 2.64% Zn, 2.24% Pb, 12.6 g/t Ag (BP Resources, 1992 012A/0630). Numerous drill holes have explored the property, and it remains prospective for further exploration.

In total, approximately 36 drill holes have been completed along 2.5 km strike length of the alteration zone.

8.1.9 New Grid Prospect

Little knowledge of mineralization exists for this prospect. Outcrops of fine grained argillaceous sediments have been noted to contain a few hairline stringers of quartz and galena. Litho geochemical sampling (Kelmet, 2000) on the grid has documented assay values up to 780 ppm Zn, 500 ppm Pb, and 117 ppm Cu (Figure 6).

8.1.10 Parking Lot Zone

The Parking Lot zone was discovered in 1996 when a trenching program successfully outlined a 200 m by 70 m mineralized zone consisting of millimetre to decimetre scale sulphide veinlets hosted in a strongly foliated sericitized, silicified and locally chloritized felsic tuff, in turn, overprinted to the east by a barren carbonate alteration (Figure 6, Map 3). Mineralization at this prospect is dominated by chalcopyrite hosted in a siliceous stockwork system. The stockwork system does not appear to conform with stratigraphy. In 1999, Kelmet undercut a mineralized outcrop with drill hole DN-99-1. This drill hole returned assays including 1.44% Cu, 0.19% Pb, 0.33% Zn over 1.4 m. Drilling in 2007 confirmed this mineralization, and returned a composite grade of 0.56% Cu and 0.08% Zn over a drill core length of 3.32 m (length is measured along axis of drill core). The stockwork appears to dip steeply to the north, and is plunging moderately to the southwest, however does not appear to thicken along strike or at depth away from hole DN-99-1.

Sphalerite is observed as stringers separate from the chalcopyrite stockwork. Zinc grades range as high as 4.50% Zn over 1.21 m (DN-99-1).

8.1.11 Roebucks Alteration Prospect

The Roebucks Alteration prospect (Roebucks) is located along the northwestern edge of the Tulks Belt (Figure 6). Mineralization consists of disseminations and stringers of pyrite, sphalerite, and chalcopyrite contained in the felsic exhalative. The best reported assay was from a 1996 Noranda drill hole (RB-96-1) that returned 0.7% Zn over 6.0 metres with Zn values greater than 1% in shorter intervals. Drilling has indicated that the mineralization is contained within a northwesterly dipping, strongly sericitized and silicified felsic tuff varying from 150 to 600 metres in width and bounded to the north and south by mafic volcanic units.

In total, 8 drill holes have been completed in the immediate area, testing to a maximum of 150 m in vertical depth. The most promising mineralized intersection of 0.7% Zn over a drill core length of 6.0 m is associated with 20 m of altered felsic tuff in hole RB96-1, and similarly 2.29% Zn over a core length of 1.14 m with an associated 21.9 m of alteration were cut in historic hole RB-01-2.

Numerous mineralized boulders with anomalous base metal grades have been located in the vicinity of the property, but have not been sourced to date.

8.1.12 Sutherlands Pond Alteration Prospect

The Sutherlands Pond alteration zone is located 1.75 km southwest of the Victoria Mine property at the northeastern end of the Tulks North property, and is thought to occur at the same stratigraphic level as the mine mineralization (Figure 6).

Prospecting and mapping by past title holders have shown the area to be underlain primarily by silicified and sericitized, locally pyritized felsic to intermediate tuff. These rocks have locally been affected by intense chloritic alteration and display a strong foliation locally. Lithochemical analyses highlight a zone of pronounced sodium depletion as well as enrichment in mercury and more rarely barium. The alteration zone can be traced over a distance of 3 km and is up to 300 m wide, of which approximately 1.5 km of strike length lies within the current RRO property.

Numerous geophysical and geochemical campaigns have attempted to pierce the thick overburden in the area to gain insight into the cause of the alteration anomaly, there remains inconclusive evidence of significant base metal mineralization. To date, no drilling has been completed on the portion of the Sutherlands alteration zone within the RRO claim block, however, a 1992 Inco drill hole (BH-80431) 400 m northeast of the claim returned 3.40% Zn over 0.54 m, 6.56% Zn over 0.46 m and 6.16% Zn over 0.33 m (Inco, 1992).

8.1.13 Tims Creek Prospect

Mineralization at the Tims Creek area was discovered by Kelmet in 1999 through follow-up of lake bottom zinc anomalies highlighted during Noranda's tenure (Figure 6). A grid was cut that year and prospecting, rock sampling and a VLF-EM survey were carried out. Three EM conductors were isolated, but due to the lack of outcrops, no interpretations were made. A total of 15 rock samples were collected from the grid, with the best assay returning 1.52% Zn. A single soil sample returned 85 ppm Cu, 107 ppm Pb, 280 ppm Zn, 210 ppm Ag and 0.2 ppm Au (Dadson, 2000).

The Blackjack showing is located in the southwest portion of the Tims Creek prospect. An outcrop discovered during the 2000 field season contained cm-scale pods of massive sphalerite +/- galena that occur in chlorite-altered vesicular and pillowed mafic volcanics. The best grab sample collected from this outcrop returned 51% zinc, 4.8 % Pb, >6 ppm Ag, and 1.6 g/t Au (Dadson, 2001).

Kelmet drilled three diamond holes 150 m southwest of the Blackjack showing in 2000. Only narrow stringer mineralization was intersected with the best assay returning 1.43% Zn and 1,060 ppm Pb over 0.30 m (Dadson, 2001). Carbonate and chlorite alteration is common, with lesser intervals displaying epidote alteration. Sulphide mineralization is fine-grained, typically bearing pyrite with less abundant chalcopyrite, sphalerite and galena (Dadson, 2001).

8.2 Long Range Nickel Property

This property is considered to be a grassroots exploration prospect, and as such posses little significant mineralization but is considered prospective for magmatic nickel sulphide style mineralization (Figure 4).

Prospecting work conducted on a nearby property held by Roland Quinlan (licence 11409M), adjacent to RRO, has returned rock chip samples with assay values of 3.00% Cu and 3.05 g/t Au as well as 0.25% Ni and 0.27% Cu (sample RO567, Quinlan, 2007). The host mineral of these metals was not documented, but appears to be associated with pyrrhotite. The mineralization occurs within subcropping to outcropping hornblende gabbroic host which is observed to be as a sill or dyke within the predominant mafic intrusive rocks at centre of the property, which have been mapped as part of the Puddle Pond complex.

9.0 Exploration

In August 2006 Acadian Mining Corporation (Acadian) acquired a controlling interest RRO and at that time new management took over the operation of the company. Current exploration completed by the new RRO management since August 2006 is considered to be relevant to this report as new work by the issuer. All exploration completed by RRO on the Tulks North properties has been completed by Mercator geologists and under the supervision of RRO and the authors.

Taiga Consultants were contracted to complete an updated NI43-101 Inferred Mineral Resource on the Daniels Pond deposit, from drill holes completed in 2005 and a final report was delivered to RRO in November 2006. Subsequent to the Taiga resource estimate Mercator was contracted to staff and manage a diamond drilling program at Daniels Pond in an effort to upgrade the Inferred mineral resource to an Indicated category. Drilling was continuous on the property from February 2007 to December 2007, with the exception of April and May where drilling was temporarily suspended for spring break-up allowances.

The drilling program at Daniels Pond consisted of 83 holes for a total of 15,411 metres of which 71 holes totaling 13,355 metres were used in this resource calculation, namely holes DN-07-053 to DN-07-123. The drilling was designed to test the extents of the known deposit. All drilling was performed and completed by Springdale Forestry Resources of Springdale Newfoundland, using a Duralite 500 wireline diamond drill.

In addition, Mercator was contracted in January 2007 to complete a detailed digital compilation of past exploration within the Tulks North property from historical documents, assessment files and archival information. The final deliverable was a readily accessible digital archive in the

form of a Geographic Information System (GIS). Additional exploration also included borehole pulse EM, a ground based gravity survey, an HLEM survey and a soil geochemical survey.

Exploration conducted on the Tulks North property has targeted base metal mineralization, hosted in VMS-style geological settings. No exploration has yet been conducted by the issuer on the recently staked Long Range Nickel property. Descriptions of these exploration programs are provided below.

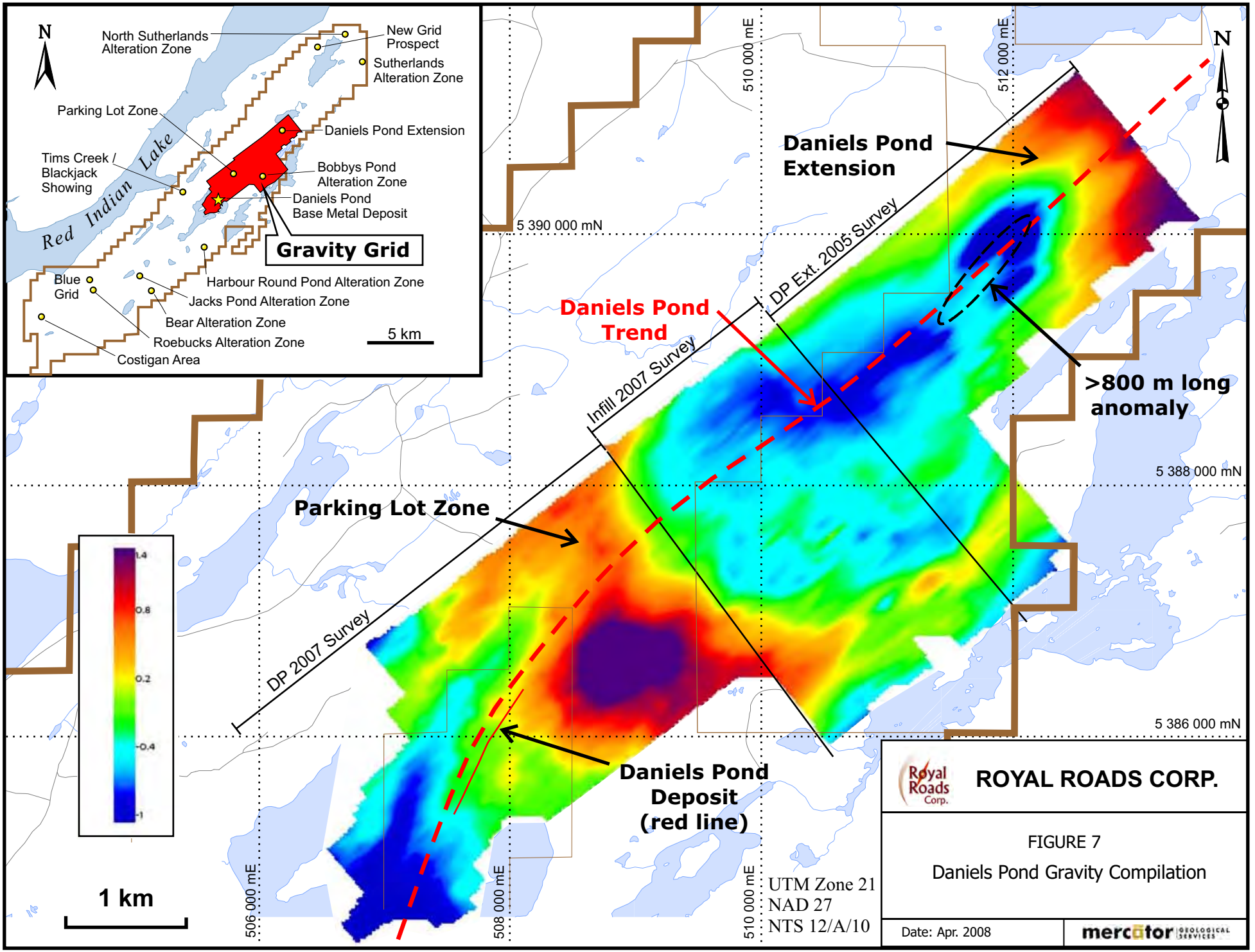
9.1 Taiga Resource Estimate

In November 2006 a revised and updated Inferred Mineral Resource Estimate was completed by Michael D. Jamieson, B.Sc, P.Geol. of Taiga Consultants Ltd., Calgary, Alberta (Taiga) and was prepared in accordance with National Instrument 43-101 and the Canadian Institute of Mining, Metallurgy and Petroleum Standards on Mineral Resources and Mineral Reserves Definitions and Guidelines. Mr. Jamieson was an independent third party geologist and a qualified person as defined by National Instrument 43-101.

The inferred resource was estimated using the polygonal method of volume calculation applied to vertical longitudinal sections. Resource block boundaries were placed equidistant between adjacent drill holes, and in the absence of an adjacent drill hole, to a maximum distance of 50 metres. Surface areas for all resource polygons were measured on the vertical longitudinal sections and trigonometrically adjusted for the average dip of 85 degrees. A copy of this Technical Report is available on SEDAR. Details are listed in Section 16.4.3.

9.2 Gravity Survey

A tender for gravity geophysical surveying was submitted in November of 2006 as the first planned exploration for the current management of RRO. The bid consisted of approximately 39 lines spaced at approximately 100 m, for a total of 58.8 line km and 2400 survey stations. This survey was intended to cover the existing Daniels Pond deposit and along strike to the NE and SW along the extension of the known mineralized horizon. The survey was completed in January of 2007. In September of 2007, an additional survey was completed infilling the Daniels Pond coverage and the existing gravity coverage over the Daniels Extension prospect (completed in 2005). The infill grid consisted of 974 survey stations over 8 lines for a total of 24.4 line km. These grids were eventually tied in with the existing gravity survey over Daniels Extension. The entire coverage provides the company over 7 km strike length of continuous bouguer gravity interpretation, enabling potential targeting of high density subsurface horizons, commonly caused by accumulations of massive metal sulphides. A portion of the infill gravity covered the Bobby's Pond alteration zone. Compiled results confirmed the presence of the Daniels Pond deposit and based on this knowledge, presented a number of other prospective targets. These are outlined in Figure 7.


N
North Sutherlands Alteration Zone
New Grid Prospect
Sutherlands Alteration Zone
Parking Lot Zone
Daniels Pond Extension
Tims Creek / Blackjack Showing
Red Indian Lake
Bobbys Pond Alteration Zone
Daniels Pond Base Metal Deposit
Gravity Grid
Blue Grid
Harbour Round Pond Alteration Zone
Jacks Pond Alteration Zone
Bear Alteration Zone
Roebucks Alteration Zone
Costigan Area
5 km
510 000 mE
512 000 mE
5 390 000 mN
Daniels Pond Extension
DP Ext. 2005 Survey
Daniels Pond Trend
Infill 2007 Survey
>800 m long anomaly
5 388 000 mN
Parking Lot Zone
DP 2007 Survey
1.4
0.8
0.2
-0.4
-1
Daniels Pond Deposit (red line)
5 386 000 mN
1 km
506 000 mE
508 000 mE
510 000 mE
UTM Zone 21
NAD 27
NTS 12/A/10
ROYAL ROADS CORP.
FIGURE 7
Daniels Pond Gravity Compilation
Date: Apr. 2008
mercator GEOLOGICAL SERVICES

9.3 Borehole Pulse EM

Subsequent to drilling at the Daniels Pond deposit, a transient electromagnetic (TEM) borehole pulse survey was conducted in December of 2007. The intent of the program was to test 5 existing and historic holes for conductive horizons at depth. The surveyed holes included historic holes DN-20 (BP 1990), DN-03-2 (Royal Roads 2003), and recently drilled DN-07-92A, DN-07-096, and DN-07-102A (Figure 8). Results of this survey were combined with historic borehole pulse data obtained by BP in 1989 and 1990 which included holes DN-31, DN-34, DN-41, DN-42, DN-43, DN-44, DN-45, DN-47, DN-48, DN-49, DN-50 and DN-52. The survey was conducted to a maximum vertical depth of 400m.

Data was collected by Eastern Geophysics of Pubnico, Nova Scotia using Crone Geophysical equipment. The historic profiles were reviewed and compiled in conjunction with the new data by Gerard Lambert Geosciences (consulting geophysicist) of St-André-Avellin, Québec.

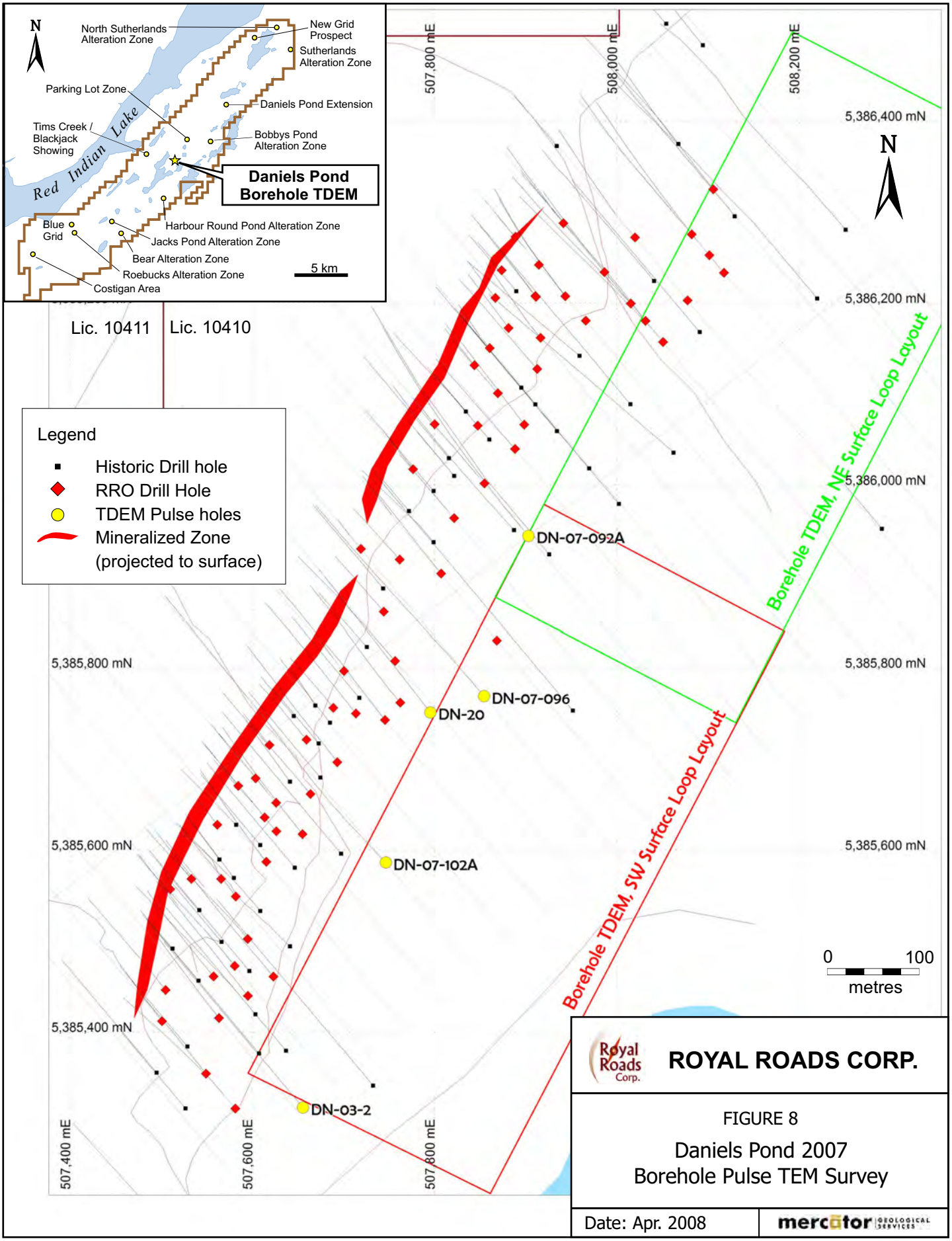
Interpretation of the downhole survey by Gerard Lambert indicates the presence of numerous in-hole and possible off-hole conductive anomalies. Of particular interest was an off-hole anomaly in hole DN-07-102A. This drill hole was extended 150 m to test the anomaly, and intersected a conductive bed of graphitic argillite at 600 m downhole depth. It is noted that the presence of poorly conductive stringers, disseminated sulphides, or sphalerite-enriched sulphides have poor detection with the use of this method.

In addition, a historic surface time-domain EM (TDEM) survey covering the Daniels Pond property from 8600W to 6000W and between 2500N to 3800N (BP, 1990) was re-processed and interpreted by Gerard Lambert. The survey confirms the presence of the Daniels Pond horizon, and in addition suggests that a conductive trend exists between stations 6900W/3400N and 6400W/3600N (west of the Parking Lot Zone, along the assumed Daniels Pond mineralized horizon), which has not been adequately tested by drilling.

A complete account of interpretations and recommendations are located in (Appendix 4) as a memorandum from Gerard Lambert, dated February 19th, 2007.

9.4 Soil Sampling Tims Creek

During the period from October 24 to November 3, 2007, line-cutting and soil sampling were completed over a newly established grid near the Tim's Creek prospect, located approximately 3 km west of the Daniels Pond deposit. Ionex Limited of Springdale, NL cut a total of 18.6 km of grid line, with a line spacing of 100 m along a 2.6 km baseline, and a picket spacing of 25 m (Figure 9). Ionex also conducted a B-horizon soil geochemical survey over the newly cut grid, with a total of 534 samples (500 g size) collected for base metal and precious metal analyses. All analyses were completed by Eastern Analytical of Springdale, NL, where Fe, Mn, Pb, Zn, Co, Cu, Ni, Mo, Ag, As, Sb (ICP-11) and Au (fire assay) were analyzed.



ROYAL ROADS CORP.

FIGURE 8

Daniels Pond 2007
Borehole Pulse TEM Survey

Date: Apr. 2008

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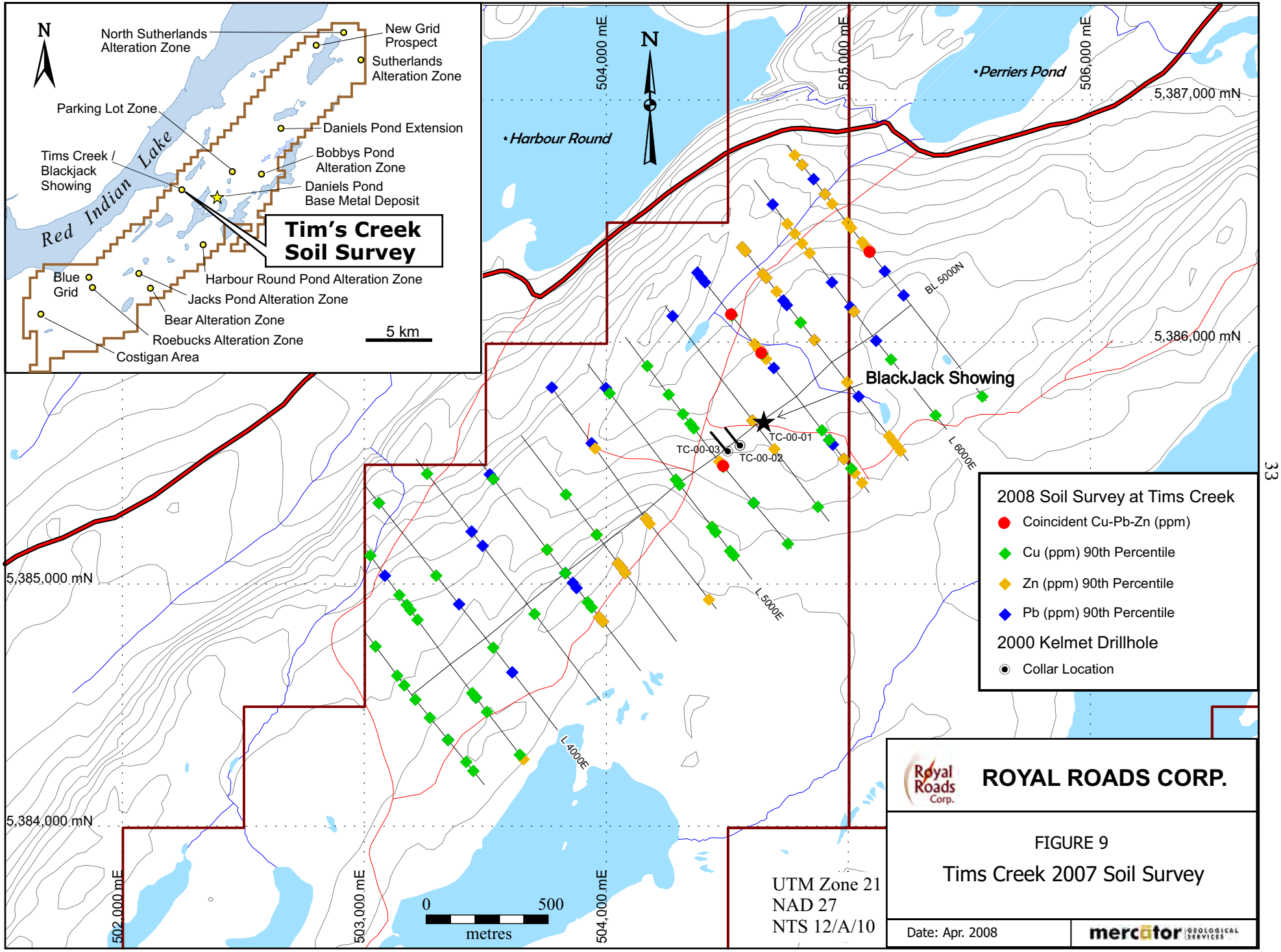
N
North Sutherlands Alteration Zone
New Grid Prospect
Sutherlands Alteration Zone
Parking Lot Zone
Daniels Pond Extension
Tims Creek / Blackjack Showing
Bobbys Pond Alteration Zone
Daniels Pond Base Metal Deposit
Red Indian Lake
Tim's Creek Soil Survey
Blue Grid
Harbour Round Pond Alteration Zone
Jacks Pond Alteration Zone
Bear Alteration Zone
Roebucks Alteration Zone
Costigan Area
5 km
504,000 mE
505,000 mE
506,000 mE
Perriers Pond
Harbour Round
5,387,000 mN
5,386,000 mN
5,385,000 mN
5,384,000 mN
BL 5000N
BlackJack Showing
TC-00-01
TC-00-02
TC-00-03
L 6000E
L 5000E
L 4000E
2008 Soil Survey at Tims Creek
Coincident Cu-Pb-Zn (ppm)
Cu (ppm) 90th Percentile
Zn (ppm) 90th Percentile
Pb (ppm) 90th Percentile
2000 Kelmet Drillhole
Collar Location
502,000 mE
503,000 mE
504,000 mE
0
500
metres
UTM Zone 21
NAD 27
NTS 12/A/10
ROYAL ROADS CORP.
FIGURE 9
Tims Creek 2007 Soil Survey
Date: Apr. 2008
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The distribution of anomalies for Cu is somewhat sporadic, with the highest value (100 ppm) lying approximately 500 m to the south of the Blackjack showing in the centre of the grid. Cu is coincident with Zn at 10 sample sites and with Pb at 11 sample sites on the grid.

Lead (Pb) distribution shows two trends, one that passes through the Blackjack showing (sub-parallel to the baseline), and a second that lies in the northern portion of the grid, and is also sub parallel to the baseline. The highest Pb value (270 ppm) lies at the northern portion of line 4400E. Pb is coincident with Zn at 20 sample sites.

Zinc (Zn) distribution is anomalous in the southern portion of the grid along the same trend as the southern Pb trend, and is sub-parallel to the baseline. Another area is the northeastern part of the grid, where Zn anomalies form a cluster and not a linear trend. The highest Zn value (800 ppm) was sampled from this cluster.

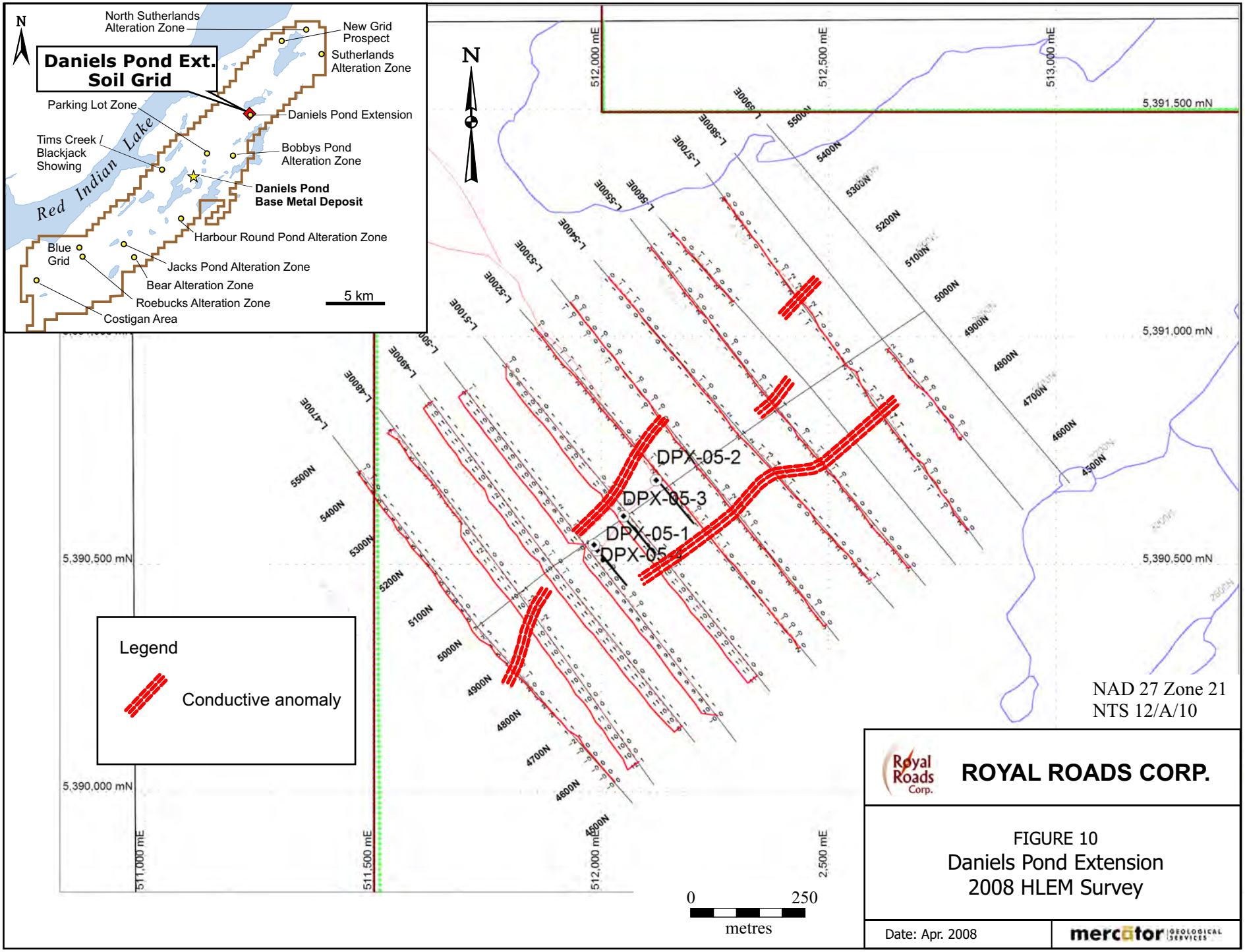
Samples that were anomalous in Cu, Pb and Zn were limited to 4 sites, and were located in the eastern portion of the grid. One is located approximately 200 metres southwest of the Blackjack showing, and the other 3 samples are located in the northeastern portion of the grid at the Zn cluster anomalous area (Figure 9).

9.5 Horizontal Loop EM Survey Daniels Extension

In January of 2008, GeoScott Exploration Consultants of St John's Newfoundland were contracted to complete 11 one-kilometer lines of surface HLEM survey (total of 11 line km) over the previously drilled portion of the Daniels Extension prospect (Figure 10, 1777 Hz interpretation). The program was designed to confirm and gain control of historic VLF-EM conductive horizons used in targeting the 2005 Royal Roads Corp drilling campaign, and in preparation for a 2008 winter drill program designed to further explore the prospect below and along strike of previous drilling.

All data was processed by GeoScott and subsequently reprocessed and interpreted by consultant Gerard Lambert who reviewed the new data in conjunction with results obtained from the historic VLF-EM surveys over the area. Results suggest the presence of weak conductors associated with the better mineralization. Lambert interprets five possible conductor trends (figure 10, 1777Hz interpretation).

Drill targets for a 2008 drill campaign were established from the results of this survey, and are designed to test two previously untested conductive horizons both stratigraphically above and below the horizon drilled in 2005. At the time of writing this report, two drill holes were drilled by RRO to test the interpreted conductors. Assay results are pending, however, discussion of the drilling program is discussed below in Section 10.3.


N
North Sutherlands Alteration Zone
New Grid Prospect
Sutherlands Alteration Zone
Daniels Pond Ext. Soil Grid
Parking Lot Zone
Daniels Pond Extension
Tims Creek / Blackjack Showing
Bobbys Pond Alteration Zone
Red Indian Lake
Daniels Pond Base Metal Deposit
Harbour Round Pond Alteration Zone
Blue Grid
Jacks Pond Alteration Zone
Bear Alteration Zone
Roebucks Alteration Zone
Costigan Area
5 km
512,000 mE
512,500 mE
513,000 mE
5,391,500 mN
5,391,000 mN
5,390,500 mN
5,390,000 mN
511,000 mE
511,500 mE
2,500 mE
DPX-05-2
DPX-05-3
DPX-05-1
DPX-05-4
Legend
Conductive anomaly
0
250
metres
NAD 27 Zone 21
NTS 12/A/10
ROYAL ROADS CORP.
FIGURE 10
Daniels Pond Extension
2008 HLEM Survey
Date: Apr. 2008
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9.6 Tulks North Data Compilation

In January of 2007, Mercator was contracted to conduct an extensive data compilation of the Tulks North property from historical documents, assessment files and archival information to produce a readily accessible digital archive in the form of a Geographic Information System (GIS). The final report included a series of documental components coupled with a breakdown of regional to local scale digital mapsets outlining historical exploration and development throughout the RRO Tulks North property holdings. The digital compilation was developed as a MapInfo© spatial database.

Conclusions and recommendations for future work were documented for each target/prospect area, where warranted by previous results. Although available geophysical files were digitized and compiled, original data was not reprocessed, and Mercator recommends that all available digital geophysical files be reprocessed and normalized across the property holdings, to enable comprehensive analysis and interpretation.

The report, digital archive and associated hard copy maps were submitted to RRO on December 7th, 2007 and was included in the appendix of the Report of Work, Tulks North Project, Red Indian Lake Area, Newfoundland (Moore and Butler, 2008) dated Feb 9th, 2008 submitted to the Newfoundland Government on as part of an assessment compilation.

10.0 Drilling

Mercator was contracted by RRO to provide geological staffing and project management services for the all diamond drilling programs undertaken on the Tulks North property, and all work was under the supervision of RRO management and the authors. To date this has included two diamond drilling programs totaling 75 holes at the Daniels Pond deposits, 4 holes at the Parking Lot Zone, 4 holes at Daniels Extension and immediate vicinity, and 1 hole at Harbour Round Pond. Details of these drilling programs are provided as follows.

10.1 Daniels Pond Deposit

Diamond drilling on the Daniels Pond deposit, under the current management of RRO, commenced in February of 2007. The initial goals of the campaign were to review and confirm previously reported intersections of the deposit. Subsequent drilling was undertaken to further delineate the mineral resource and provide Mercator staff with a level of confidence sufficient to allow for upgrading of as much of the resource as possible from Inferred Mineral Resource to an Indicated Mineral Resource. As part of this program, holes were also targeted to expand the resource by extending the mineralized zone to depth and along strike.

It was determined before drilling commenced, that historic work at Daniels Pond including all drill programs were based on a grid cut by BP in 1989. This grid was typical of cut grids in that the lines deviated from the intended 320º bearing, which resulted in a series of non-parallel gridlines. It was decided to survey all of the historical drill holes using differential GPS (UTM

NAD27, MTM NAD27) and reproject them into an idealized rectilinear local grid using ground control markers, using the same gridline naming convention as BP. The establishment of a rectilinear grid allows positioning of modern drill holes to be accurate and to ensure that digital representation of drill hole data reflects actual drill hole locations for interpretation and modeling purposes.

A total of 77 holes (83 included lost or abandoned holes) were drilled across the property for a total of 15,084 m (15,411 m including lost metres from abandoned holes) completed as Phase 1 (P1) and Phase 2 (P2) (Map 1). Of these, 71 drill holes were used in the Resource Estimate presented below, namely hole DN-07-053 through DN-07-123. Drilling was continuous on the property from February 2007 to February 2008, with the exception of April and May where drilling was temporarily suspended for spring break-up allowances and marked the separation between P1 and P2 drilling. All drilling was performed and completed by Springdale Forestry Resources of Springdale Newfoundland, using a Duralite 500 wireline diamond drill.

All holes were drilled at inclined angles between 45 and 65 degrees to the surface, and all casing was capped, labeled and left in the ground upon the completion of each hole. The location of each casing was surveyed using differential GPS. Collar location co-ordinates are reported in Appendix 1. Rock samples were recovered as NQ drill core (47.6mm diameter), and are stored in wooden core boxes located at the Provincial Government core library in Buchans, NL. Details of drilling follow the logistics laid out in Section 10.5 and core sampling methodology, handling and verification follow those outlined in Sections 11.0 and 12.0.

Where possible estimated true widths have been measured based on observed geological contacts (core angles in drill core).

Phase 1 Drilling

Phase 1 drilling was initiated on the SW portion of the deposit and progressed systematically to the NE, infilling historic drilling. The program consisted of 14 drill holes, totaling 1681 m and labeled DN-07-053 through DN-07-066, intending to confirm the grade and continuity of the deposit. The program targeted near surface mineralization less than 100m vertical metres from surface. The program outlined three distinct areas within the deposit categorized by intersections containing: fine grained semi-massive to massive banded argentiferous base metal mineralization; altered and strongly sheared barren rock; and fine grained brecciated to weakly bedded massive pyrite. The massive pyrite unit was generally noted to contain barren to low zinc-lead-copper values, however occasionally was host to elevated gold values associated with base metal mineralization (2.57 g/t Au over 0.87m true width, DN-07-063).

Highlights include drill hole DN-07-053 drilled in the SW lobe, which intersected over 100 m of sericite-chlorite-quartz alteration and carbonate stockwork systems, of which 44 m assayed 0.83% Zn, 0.44% Pb, 0.04% Cu, 7.00 g/t Ag, and 0.11 g/t Au and 2 m assayed 9.90% Zn, 4.61% Pb, 0.51% Cu, 137.19 g/t Ag, and 1.96 g/t Au. Also of interest was hole DN-07-063 in the NE lobe which intersected a quartz stockwork system underlying a 10.96 m conformable massive pyrite lense with a distinct conformable 10 cm massive lead dominant, base metal cap, which is uncharacteristic of the NE lobe. This hole graded 10.93 m at 3.48% Zn, 0.84% Pb, 0.29% Cu, 26.08 g/t Ag, and 0.98 g/t Au, with the massive cap grading 24% Zn, 13.9% Pb, 0.21% Cu, 308.2 g/t Ag, 0.39 g/t Au over a estimated true width of 0.23 m.

Results from the Phase 1 drilling warranted further exploration to further quantify the extents of the Daniels Pond deposit. A simplified Longitudinal Projection with pierce points can be found as Map 2.

Phase 2 Drilling

Phase 2 drilling was comprised of 67 drill holes, totaling 13,740 m, designed by Mercator to delineate the mineral resource and provide Mercator staff with a level of confidence sufficient to allow for upgrading of as much of the Inferred Mineral Resource to an Indicated category as possible. Resource delineation drill holes were targeted to fully evaluate the deposit to a vertical depth of 150 m, and exploration drill holes were targeted to evaluate mineralization below 150 m vertical depth and also beyond the strike extents of the previously recorded resource (Taiga, 2006).

Beginning in the northeasterly extent of the deposit, drill holes DN-07-067 through DN-07-076 were designed to further define geological parameters and to confirm base metal intersections reported in historic hole DN-35 (BP, 1990), which included a grade composite of 5.74% Zn, 4.82% Pb, 0.35% Cu, 0.52 g/t Au, and 311.1 g/t Ag over a downhole length of 4.36 m. This drilling outlined NE lobe mineralization northeast of line -7500E, as a zone dominated by felsic agglomerate with high concentrations of graphite, and host on occasion to massive pyrite clasts/boulders and rare isolated bands of base metal mineralization. The agglomerate unit was generally conformable with a weakly altered, intermediate fragmental footwall volcanic unit. The distribution of sulphide clasts was noted to be erratic and discontinuous along strike and dip. No preferred orientation was identified.

Drill holes DN-07-077 through DN-07-095 continued to progress towards the SW and tested the extents of the known massive pyrite lens, contained between lines -7500E and -7800E. These drill holes confirmed the presence of the massive pyrite unit, which varies in thickness from a few metres up to 27.62 m true width (DN-07-083). Base metal mineralization occurs as semi-massive to massive bands stratigraphically above and occasionally below the massive pyrite lens, and as chalcopyrite and rare sphalerite blebs hosted in quartz veinlets occurring in the brecciated upper and lower contacts of the massive pyrite. The massive pyrite was intersected in the near surface hole DN-07-081 within 10 m of surface, and drill hole DN-07-070 intersected the massive pyrite unit at a vertical depth of approximately 250 m below surface. Historical drill results document the deepest intercept of this unit to have occurred in hole DN-52 (BP, 1990) at a vertical depth of 300 m, and over a downhole length of 3.7 m (true width not available due to historic nature of hole), beyond which it remains open.

Drillholes DN-07-092A, DN-07-096, and DN-07-102A were drilled as exploration targets below the extents of the known mineralization, in the central portion of the deposit area. DN-07-092A was successful in intersecting the massive pyrite unit with associated base metal mineralization 75 m down-dip and southwest from the historic hole DN-34 (BP, 1990), extending the limits of the NE lobe. Grade highlights include 2.92% Zn, 1.53% Pb, 0.14% Cu, 73.49 g/t Ag, and 0.41 g/t Au over a true width of 6.17 m. DN-07-096 also intersected base metal mineralization associated with semi-massive pyrite at a vertical depth of almost 300 m, with grade highlights of 1.55% Zn, 0.65% Pb, 0.09% Cu, 24.27 g/t Ag, and 0.36 g/t Au over a true width of 2.86m. This hole could share mineral continuity with historic hole DN-20 (BP, 1990) and may also outline a continuous mineralized horizon with hole DN-07-092A. Drillhole DN-07-102A was drilled down-dip and to the northeast of the SW lobe. This hole failed to intersect anomalous base metal

mineralization, but did cut almost 15 m of altered volcanics, which may extend the known limits of the alteration sequence associated with the mineralized zone in the SW lobe.

The resource delineation program was completed in the area of the SW lobe, and tested the extent of the known mineralization with drill holes DN-07-097 through DN-07-123 excluding those mentioned above. Drilling confirmed the presence of high concentrations of massive base metal sulphides occurring as bands and stringers within predominantly felsic fragmental volcanics. It was noted that the extent of base metal mineralization thickened towards surface, up to 7.52 m true width in hole DN-07-108 which graded 9.94% Zn, 4.96% Pb, 0.57% Cu, 190.83 g/t Ag and 0.59 g/t Au. The mineralization outcrops at surface as confirmed by a 100 m on strike surface exposure of the mineralized horizon, prepared by BP in 1989. It is noted that an area of distinctly higher grade base metal sulphides exists stratigraphically above the base metal enriched stringer sulphides as a relatively continuous semi-conformable semi-massive to massive sulphide accumulation within the SW lens at surface. At depth the mineralization and associated sericite-chlorite-quartz alteration begins to thin, as seen in drill hole DN-07-117 which intersected mineralization 200 m below surface grading 8.0% Zn, 3.12% Pb, 0.27% Cu, 128.81 g/t Ag, and 3.07 g/t Au over 1.71 m (true width). To the southwest, the mineralized horizon pinches off abruptly at depth, as seen in drill holes DN-07-121 and DN-07-122 where mineralization is present only as thin wispy stringers with low base metal concentrations, however the mineralized horizon is still present near surface in historic hole DN-09 (BP, 1990) as a 15 cm zone of semi-massive sphalerite and galena.

Subsequent to the delineation drilling program, RRO drilled 6 additional drillholes into the Daniels Pond deposit. One hole, DN-08-124 was drilled near surface in known mineralization within the SW lens to confirm mineralization and to increase the drillhole spacing to less than 50 m. Mineralization cut in this hole includes 1.73% Zn, 1.02% Pb, 0.12% Cu, 66.90 g/t Ag, and 0.31 g/t Au over a true width of 2.87 m. The remaining 5 holes were designed to test for additional resources down dip and below the known mineralization in the SW and NE lenses. Highlights include hole DN-08-125 which extended low grade base metal mineralization down plunge to the southwest from the SW lens, in an area that was previously untested. Also, of interest were drill holes DN-08-127 through DN-08-129 which tested the southwest boundary of the NE lens. These drill holes intersected elevated base metal mineralization outside the limits of the known mineral resource, and enabled a correlation to made between the NE lens and mineralized intersections seen in holes DN-07-096 and historic hole DN-20. Results of this drilling have not been used in the Mineral Resource Estimate documented below.

A complete table of composite assay highlights for all Phase 1 & 2 drilling is available in Appendix 2.

10.3 Parking Lot Zone

Diamond drilling at the Parking Lot zone was initiated on August 15, 2007 and continued through to September 5, 2007. The program was intended to confirm a previously reported drill intersection from hole DN-99-1 (sample #74847: 1.44% Cu, 0.33% Zn, and 0.19% Pb over a core length of 1.4 m, and sample #75232: 0.11% Cu, 0.05% Pb, 4.50% Zn over a core length of 1.21 m), to test the extension along strike of this mineralization, and lastly to test a gravity anomaly located SW and NE along a presumed strike extent of the bedrock exposure.

The program included 4 diamond drill holes, for a total of 838 m (Map 3). Details of drilling follow the logistics laid out in section 10.5 and core sampling methodology, handling and verification follow those outlined in sections 11.0 and 12.0.

Drill holes PL-07-01 and PL-07-04 were targeted to test a gravity anomaly from the 2007 Daniels Pond gravity survey, southwest and northeast from the main showing, respectively. The anomalies were attributed to mafic volcanics intersected in both holes. Minor quartz veining with visible chalcopyrite was intersected in the top portions of both holes, with the best intersections reporting 0.26% Cu over a 0.51m downhole length in hole PL-07-01, and 3.10% Zn, 0.68% Cu over a 0.50 downhole length.

Drillholes PL-07-02 and PL-07-03 were drilled in proximity to the main showing and was designed to confirm existing mineralization as well as test the zone's on-strike extents. The holes confirmed the presence of a quartz stockwork system mineralized with minor chalcopyrite. Highlights in hole PL-07-03 which intersected 0.57% Cu over a 3.32 m downhole length, and a shallow intersection containing 1.79% Zn over a 1.00 m downhole length.

Drilling at the Parking Lot showing confirmed the presence of a copper sulphide stockwork system, but has yet to provide evidence of an associated VMS style exhalative horizon.

10.3 Daniels Extension

Drilling in early 2008 at the Daniels Extension prospect was intended to test geophysical targets interpreted from the 2008 HLEM survey and a 2005 gravity survey conducted on the property. In total 4 holes were drilled, totaling 621 m (Figure 11). Details of drilling follow the logistics laid out in section 10.5 and core sampling methodology, handling and verification follow those outlined in sections 11.0 and 12.0. At the date of publication of this report, assay results were pending..

Drillholes DPX-08-05 and DPX-08-08 tested HLEM conductors stratigraphically above and below, respectively, the drill holes completed in 2005 by Royal Roads. Geological interpretation of the HLEM conductor is attributed to minor intervals of graphitic argillaceous lithologies, and trace amounts of base metal mineralization.

Drillholes DPX-08-06 and DPX-08-07 were targeted to test a narrow continuous gravity anomaly approximately 600 m southwest from the previously drilled prospect. Geological interpretation from drillcore does not satisfactorily explain the gravity anomaly. No significant mineralization was observed in the drill holes, and as such no significant assays are expected.

The program did not test the known stringer mineralization intersected in historic hole DPX-05-2 which reported 2.68% Zn/1.30% Pb/0.06% Cu over 0.60 m (sample #63644), or the laminated semi-massive sulphide horizon intersected in hole DPX-05-1. The mineralized horizon remains open along strike and down dip to the northeast and southwest.

10.4 Harbour Round Pond

One diamond drill hole was drilled on this prospect to a final depth of 200 m, in February of 2008. The hole was designed to test a coincident zinc-lead geochemical soil sample (Noranda, 1994) located at the interface between a mafic and felsic volcanic unit, postulated to be along strike to the mineralized horizon at Daniels Pond. The hole was located approximately 700 m northeast of historic hole HRP-05-1 (Figure 12).

The drill hole intersected altered felsic volcanics over 6 m containing brecciated 1-3 cm pink quartz clasts elongated along moderate to strong foliation in an altered chlorite-sericite matrix.

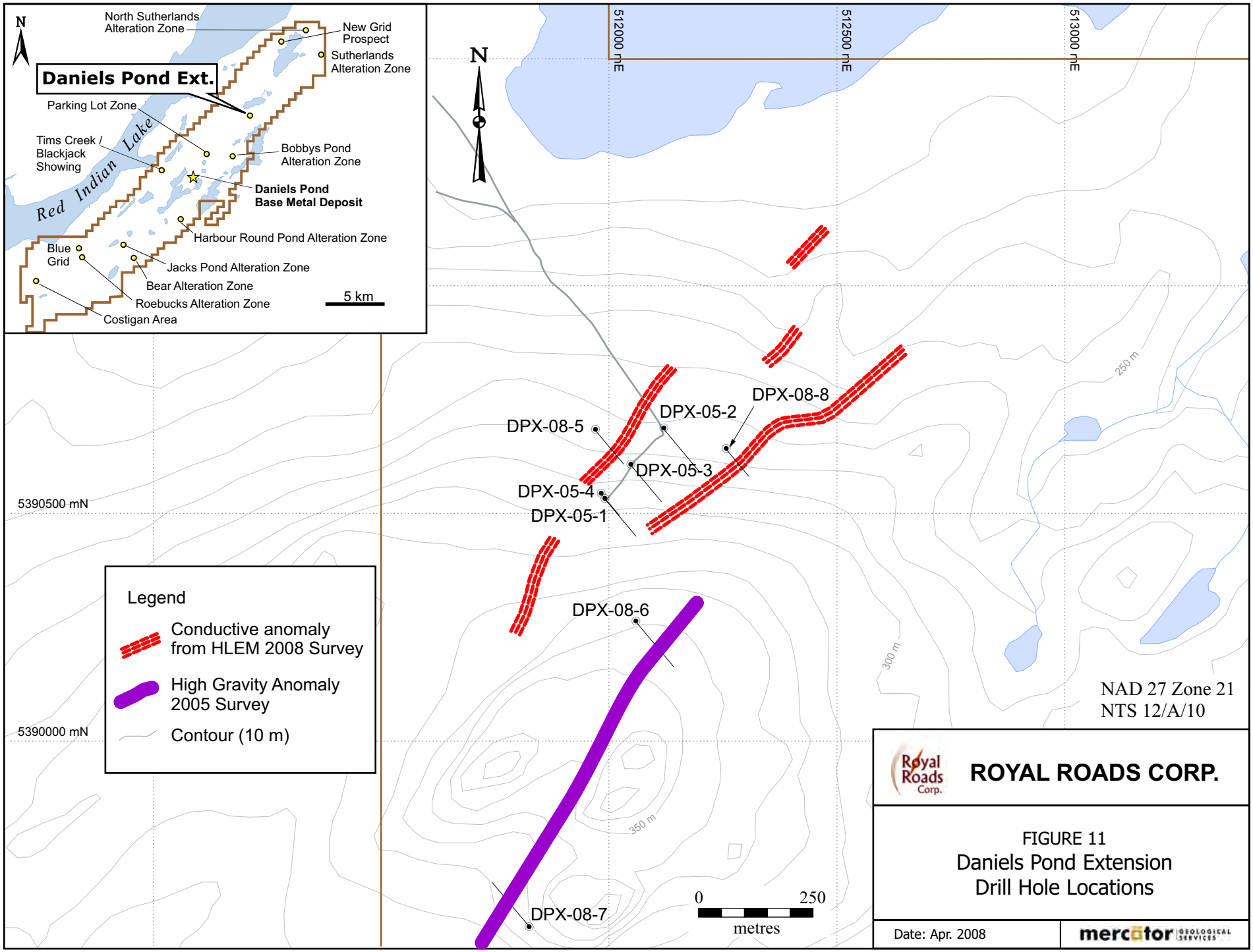
Mineralization consisted of trace to 3% chalcopyrite and returned assay values hosting a composite grade of 0.80% Zn, 0.01% Pb, 1.02% Cu, 10.51 g/t Ag, and 0.02 g/t Au over a core length of 1.50 m. This mineralization was attributed to the coincident zinc-lead soil anomaly found at surface, and remains open in all directions. The results of the drill program warrant addition exploration.

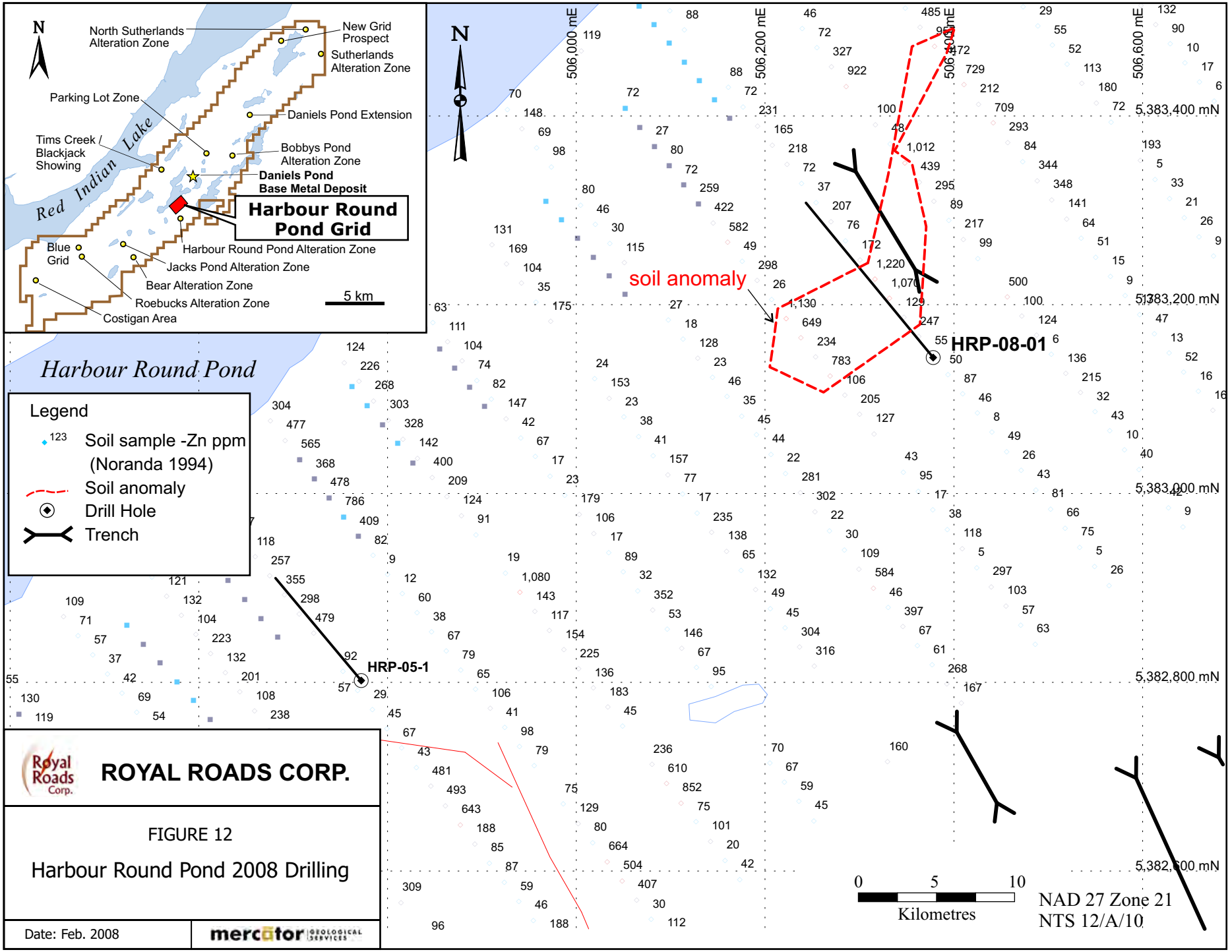
10.5 Logistics

Springdale Forestry Resources of Springdale Newfoundland was contracted to provide core drilling services for the 2007 BUV programs and supplied a diesel-powered skid-mounted Duralite 500 wire-line drilling unit equipped to recover NQ size core (4.76 cm in diameter). The company also provided all necessary support equipment, including a bulldozer for drill moves and site preparation work and drilling was typically carried out on a 24 hour per day basis.

Mercator provided geological and technical staff for all drilling projects to facilitate day to day coring operations and logging functions, with project planning and oversight provided through consultation with senior RRO and Mercator staff. All drilling, field and geological personnel were accommodated through local housing and restaurant facilities. Field support for Mercator included trucks for the entire field program and RRO supplied accommodation and secure core logging facilities to Mercator staff. Drill core from the 2007 diamond drilling programs was stored at the company's secure core storage facility on site in and Buchans.

Drill collar locations for each drill hole were based on Universal Transverse Mercator (UTM) Zone 21 grid coordinates based on North American Datum 83 (NAD 83) grid coordinates and were established in the field by handheld GPS units. RRO drill holes were typically tested for inclination and azimuth variation using Flex-it© down hole survey instruments at nominal depths of 50m, and this data was incorporated in the project database.


N
North Sutherlands Alteration Zone
New Grid Prospect
Sutherlands Alteration Zone
Daniels Pond Ext.
Parking Lot Zone
Tims Creek / Blackjack Showing
Red Indian Lake
Bobbys Pond Alteration Zone
Daniels Pond Base Metal Deposit
Harbour Round Pond Alteration Zone
Blue Grid
Jacks Pond Alteration Zone
Bear Alteration Zone
Roebucks Alteration Zone
Costigan Area
5 km
512000 mE
512500 mE
513000 mE
250 m
300 m
350 m
5390500 mN
5390000 mN
DPX-08-8
DPX-05-2
DPX-08-5
DPX-05-3
DPX-05-4
DPX-05-1
DPX-08-6
DPX-08-7
Legend
Conductive anomaly from HLEM 2008 Survey
High Gravity Anomaly 2005 Survey
Contour (10 m)
0
250
metres
NAD 27 Zone 21
NTS 12/A/10
ROYAL ROADS CORP.
FIGURE 11
Daniels Pond Extension
Drill Hole Locations
Date: Apr. 2008
mercator GEOLOGICAL SERVICES


N
North Sutherlands Alteration Zone
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Parking Lot Zone
Daniels Pond Extension
Tims Creek / Blackjack Showing
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Red Indian Lake
Daniels Pond Base Metal Deposit
Harbour Round Pond Grid
Blue Grid
Harbour Round Pond Alteration Zone
Jacks Pond Alteration Zone
Bear Alteration Zone
Roebucks Alteration Zone
Costigan Area
5 km
Harbour Round Pond
506,000 mE
506,200 mE
506,400 mE
506,600 mE
5,383,400 mN
5,383,200 mN
5,383,000 mN
5,382,800 mN
5,382,600 mN
soil anomaly
HRP-08-01
HRP-05-1
Legend
Soil sample -Zn ppm (Noranda 1994)
Soil anomaly
Drill Hole
Trench
0 5 10
Kilometres
NAD 27 Zone 21
NTS 12/A/10
ROYAL ROADS CORP.
FIGURE 12
Harbour Round Pond 2008 Drilling
Date: Feb. 2008
mercator GEOLOGICAL SERVICES

11.0 Sampling Method and Approach

11.1 Historic Methods

BP Resources, 1989 to 1992

BP drilled a total of 52 diamond drill holes totaling 11,719 m in the vicinity of Daniels Pond, of which 38 holes (9,707 m) are included in the contents of the resource estimate. Holes DN-01 to DN-07 were completed during 1989, with holes DN-08 to DN-52 being completed during 1990 (Barbour et al. 1991). According to Barbour et al. 1990, on site drilling was performed by Nortech Drilling of Gooderham, ON. NQ core (47.6 mm diameter) was collected on the property.

Drillcore was logged and recorded by a geologist, and half-core samples were collected where visual mineral content was deemed appropriate. Shoulder samples were collected on both the uphole and downhole side of the mineralized samples.

Kelmet Resources, 1999 to 2002

Kelmet held mineral exploration rights over the Daniels Pond area between 1999-2002. In 2002, Kelmet completed an 11 hole diamond drilling campaign on Daniels Pond, totaling 2,455 m. Drilling was conducted by Petro Drilling Company Ltd of Springdale, NL.

Samples were split by a diamond saw or a Longyear core splitter. One half of the core was prepared for analysis and the other was maintained as a record of the drilling. A geologist sampled sections using lithology, alteration or sulphide content to determine intervals of importance. Sample intervals were approximately 1.5 m in length. Shoulder samples were collected on both the uphole and downhole side of the mineralized samples.

Royal Roads Corp, 2002 to 2006

Effective April 1, 2002 Kelmet Resources amalgamated with Royal Roads Corp and the resulting company retained the name Royal Roads Corp. The previous operators of Royal Roads drilled 5 holes in 2003 (1,601m) and 9 holes in 2005 (1,369 m). Drilling was completed by Petro Drilling and sampling approaches and methodology remained consistent with that of Kelmet Resources.

11.2 Current Methods

Drill core was descriptively logged on site, aligned, marked for sampling and then split in half, longitudinally, using a diamond saw blade by Mercator staff geologists and technicians. Samples consisted of half NQ-size diamond core (47.6 mm diameter core). One-half of the core was preserved in core boxes for future reference. As part of RRO's QA/QC protocols, samples comprising the other half of the core were bagged, tagged, sealed and delivered directly to Eastern Analytical Limited's laboratory, in Springdale, by Mercator personnel. Drill core samples were nominally 1 m to 1.5 m in length, except where specific geologic parameters require a smaller interval be sampled. Shoulder samples were collected on both the uphole and downhole side of the mineralized samples.

12.0 Sample Preparation and Analysis

12.1 Historic Methods

BP Resources, 1989 to 1990

All samples from the Daniels Pond drilling campaign were analyzed by Chemex Laboratories in Vancouver, BC. Samples were analyzed by ICP and AA methods for Cu (%), Pb (%), Zn (%), Au (ppb from ICP, g/t from fire assay method) and Ag (oz/t). Cu, Pb and Zn had a lower detection limit of 0.01% with no upper limit. Ag also had a lower limit of 0.01% but had an upper detection limit of 20%.

Kelmet Resources, 1999 to 2002

All samples were collected and transported by Kelmet or Royal Roads employees to Eastern Analytical of Springdale, NL or the SGS prep lab in Newfoundland. Storage of drill core was maintained at the Provincial Core Library or at the Royal Roads facility, both of which are located at Buchans. During this time, Kelmet did not use a QA/QC program, instead checks and controls instituted by the lab were relied upon. Eastern Analytical lab personnel were also responsible for all sample preparation and analysis (Jamieson, 2006).

Royal Roads Corp, 2002 to 2006

With the exception of duplicates being added to the sample stream in 2003 Royal Roads maintained the same sample handling procedures as mentioned for Kelmet Resources between 1999-2002 (Jamieson, 2006).

12.2 Current Methods

Sample preparation was completed by Eastern Analytical of Springdale Newfoundland, with each sample crushed to approximately -10 mesh and split using a riffle splitter to approximately 300 g. Each sample split was pulverized using a ring mill to approximately 98% -150 mesh. In addition to drillcore samples, blank samples (one per 20 samples) and certified standards (one per 20 samples) were also submitted for sample preparation and assay.

All sample analyses were completed by Eastern Analytical by inductively coupled plasma method (ICP-11) for base metals (Cu, Pb, Zn) and Ore Grade Assay Cu, Pb and Zn on samples exceeding upper detection limit for base metals (upper detection limits; Cu 10,000 ppm, Pb 2,200 ppm, Zn 2,200 ppm). ICP analyses were completed using a 0.50 g sample digested in nitric and hydrochloric acid and analyzed by ICPOES (Inductively Coupled Plasma Optical Emission Spectroscopy). Base metal Ore Grade Assays (Cu, Pb, Zn) were completed using a 0.20 g sample digested in nitric and hydrochloric acid and analyzed by the atomic absorption (AA) method. Silver assays were completed using a 1g sample digested in hydrochloric and nitric acid (aqua regia) and analyzed by AA. Gold assays were completed by standard ½ ton fire assay using the AA method. Samples being analyzed by ore grade analytical methods were then forwarded to ALS Chemex, Sudbury, ON for preparation and Vancouver, BC for re-assayed (check assay) to ensure accuracy and precision of reported sample grades. In addition to re-analyzing samples for metals, ALS Chemex also performed specific gravity determination methods (ALS method OA-GRA08b) on all of the samples they received. This method makes use of a pycnometer to measure the density of sample pulps from the volumetric displacement of

a known solvent (either methanol or acetone) with which a specific gravity (SG) value is mathematically determined. The SG values were incorporated into the database and used in the Resource Estimate as described in Section 16.3.6.

Both Eastern Analytical and ALS Chemex are also implementing independent internal QAQC protocols that include insertion of blanks and certified CanMet standards as part their routine analyses.

12.2.1 Laboratory Certification

Eastern Analytical located in Springdale Newfoundland is an industry recognized commercial laboratory. Management and lab technicians have more than 30 years experience, and their fire assayers and sample prep personnel have more than 19 years in their respective fields. They use government certified standards made by CanMet. Duplicates, blanks, internal standards and CanMet standards are inserted between every 40 samples to maintain quality control. Random samples are selected at the end of each day and analyzed the following day to check data accuracy. A number of samples are sent periodically to another laboratory for quality control checks, however, the company is not ISO certified.

ALS Chemex has attained ISO 9001:2000 registration at all North American laboratories in North America. ISO 9001:2000 requires evidence of a quality management system covering all aspects of their organization. In addition, the ALS Chemex Vancouver laboratory is accredited to ISO 17025 by Standards Council of Canada for a number of specific test procedures including fire assay Au by AA, ICP and gravimetric finish, multi-element ICP and AA Assays for Ag, Cu, Pb, and Zn.

13.0 Data Verification

A quality control program was implemented to monitor accuracy, reproducibility and precision through each stage of data collection. During the 2007 drilling program Mercator, in conjunction with RRO management, carried out a comprehensive QA/QC program. This program included; blind insertion of standards and blanks, and check assays which were analyzed first by Eastern Analytical of Springdale, NL, followed by a second lab, ALS Chemex in Sudbury, ON. Duplicates run by Eastern Analytical, as part of internal laboratory QA/QC program, were also evaluated by Mercator staff. Each step of this program lends itself to a different aspect of quality control and assurance. Blindly inserted standards monitored the precision of assay results though both stages of sample analysis.

The analytical results for the check assay procedures were not incorporated into the database for use in the Resource Estimate reported below.

In total 2982 samples were analyzed as part of the Daniels Pond drilling program and used in the mineral estimate presented in Section 16, all of which were exposed to verification and quality control measures described below. Quality control and assurance procedures utilized a dataset composed of 175 blind certified ore standard samples, 176 blind blank samples, 116 internal laboratory duplicates, and 979 independent laboratory check assays.

13.1 Certified Standard Program

Certified ore reference standards were purchased from Canadian Resource Laboratories (CDN Laboratories) of Delta, BC for use in the 2007 drilling program. The samples were packaged in 100g vacuum sealed lots, packaged as material pulverized to -200 mesh particle size. The standards included CDN-HLHZ, and CDN-FCM-4. A randomly selected standard was inserted blindly every even 20th sample, alternating with blank insertion, in a continuous series with drill core samples and marked accordingly in the sample record book. Analytical results were then compared to verified against the laboratory supplied tolerances.

Quality assurance analysis has taken place immediately upon receipt of assay results. When deemed necessary, standard results that lay outside of the calculated standard deviation (CDN laboratories, see Appendix 5) were analyzed to confirm laboratory results. Figure 13 represents the HLHZ standard analysis results from both Eastern Analytical and ALS Chemex. The plot demonstrates that the analyses generally return values lower than the calculated mean of the certified standard, however, do remain within an acceptable error limit. The error limit is derived from the statistical analysis on the standards performed by CDN, and represents one standard deviation.

13.2 Blind Blank Sample Program

Blank samples were inserted into every batch sent to Eastern Analytical at an interval of every odd 20th sample, alternating with standard insertion. The blanks were labeled in continuous series with drillcore samples and noted in the sample record book as a blank. Blank sample material was collected from a benign sandstone outcrop near the south shore of Red Indian Lake, NL (509,090E, 5,394,555N UTM NAD27). Samples were assayed by Eastern Analytical Ltd throughout the course of the 2007 drilling program. Results for blank samples indicate a consistent barren background level supported negligible contamination in analytes (Figure 14).

Figure 13: Standard Sample Submission QAQC of HLHZ, Eastern Analytical and ALS Chemex Comparison

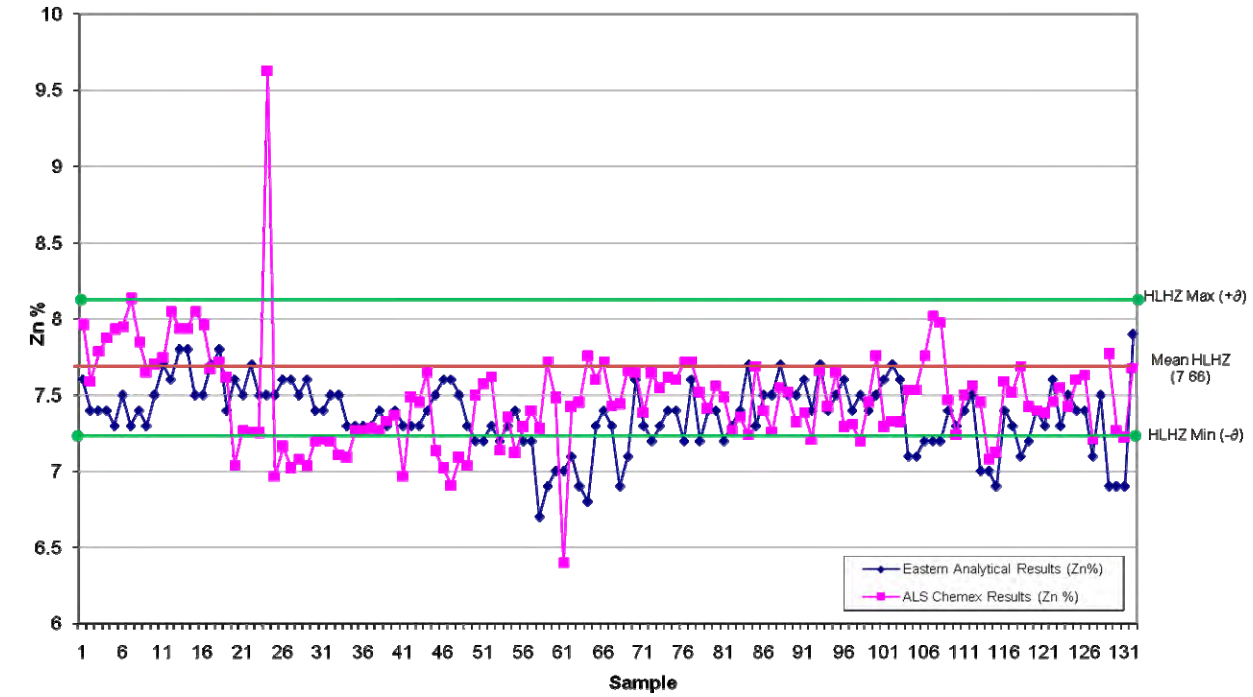
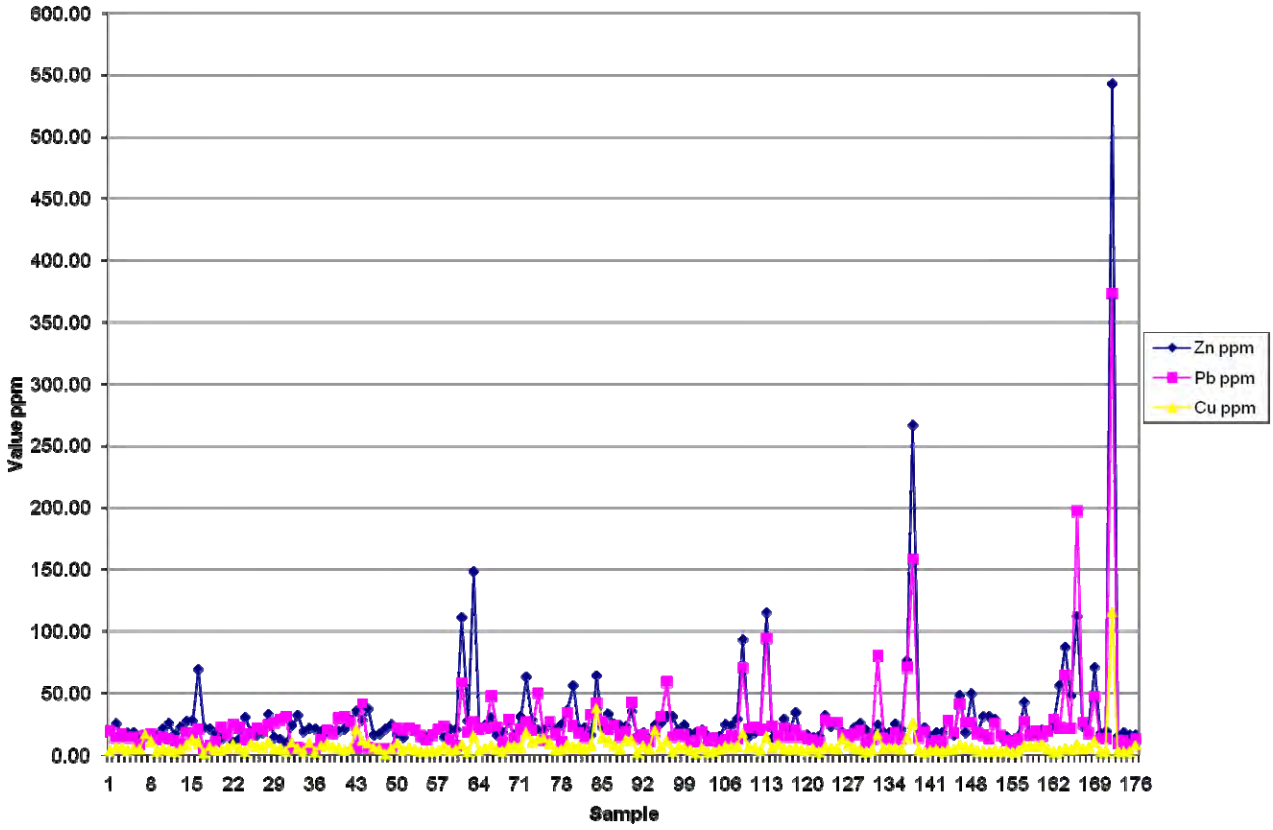


Figure 14: Eastern Analytical Blank Results

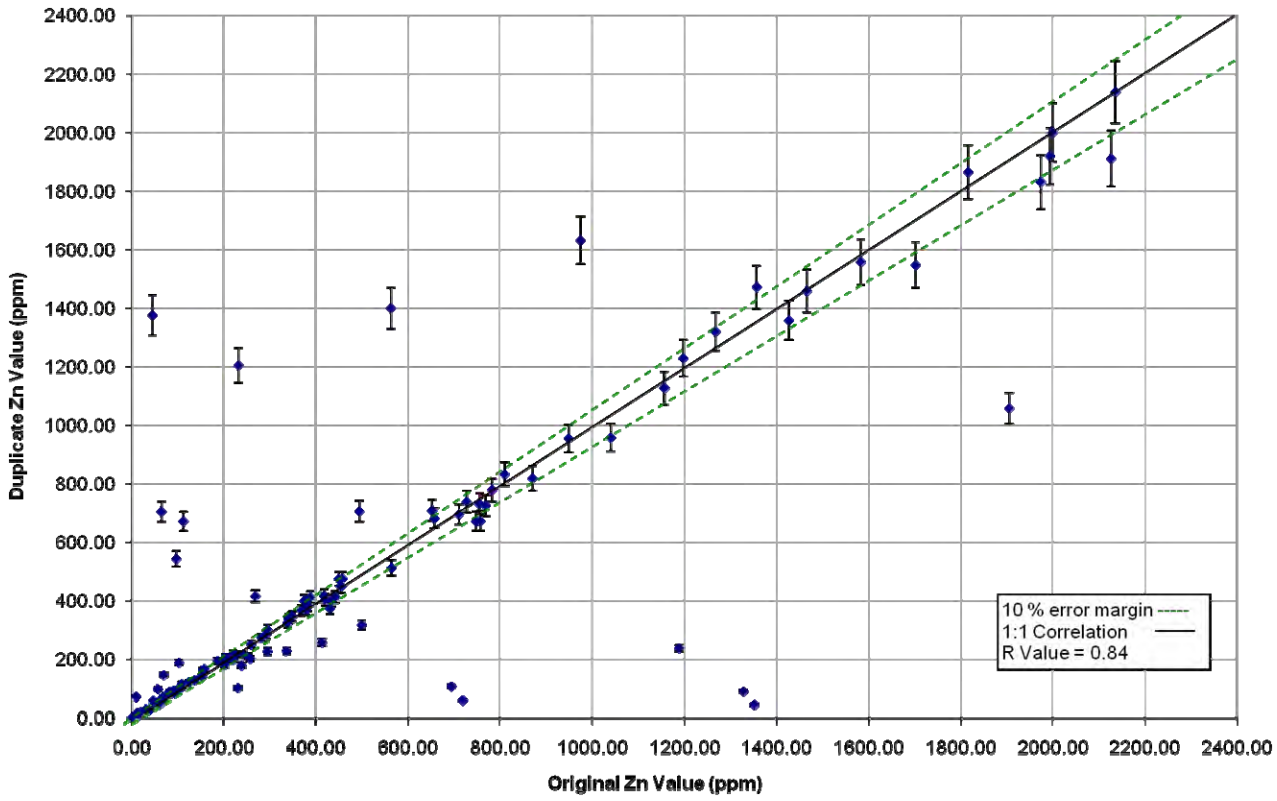


13.3 Duplicate Sample Program

Duplicate samples were selected as an internal laboratory protocol on every 20th sample. The duplicate material was prepared from a split of the pulverized analyte, and analyzed by the laboratory consistently in stream with the ICP method. Results for the duplicate pairs were reviewed with respect to lead and zinc values (ICP analyses only), and are plotted in Figure 15. When deemed necessary, duplicate results that lay outside of the 10% error margin boundary were resampled to confirm analytical results. The reproducibility of analytical duplicates has a correlation coefficient (R value) of 0.84 for zinc samples, suggesting the ICP analytical technique and sample handling in the lab is reliable.

Duplicate analyses were not used in the Resource Estimate described below, but rather were used for QA/QC purposed only.

Figure 15: Duplicate Results for Zinc (ppm), Eastern Analytical ICP Method



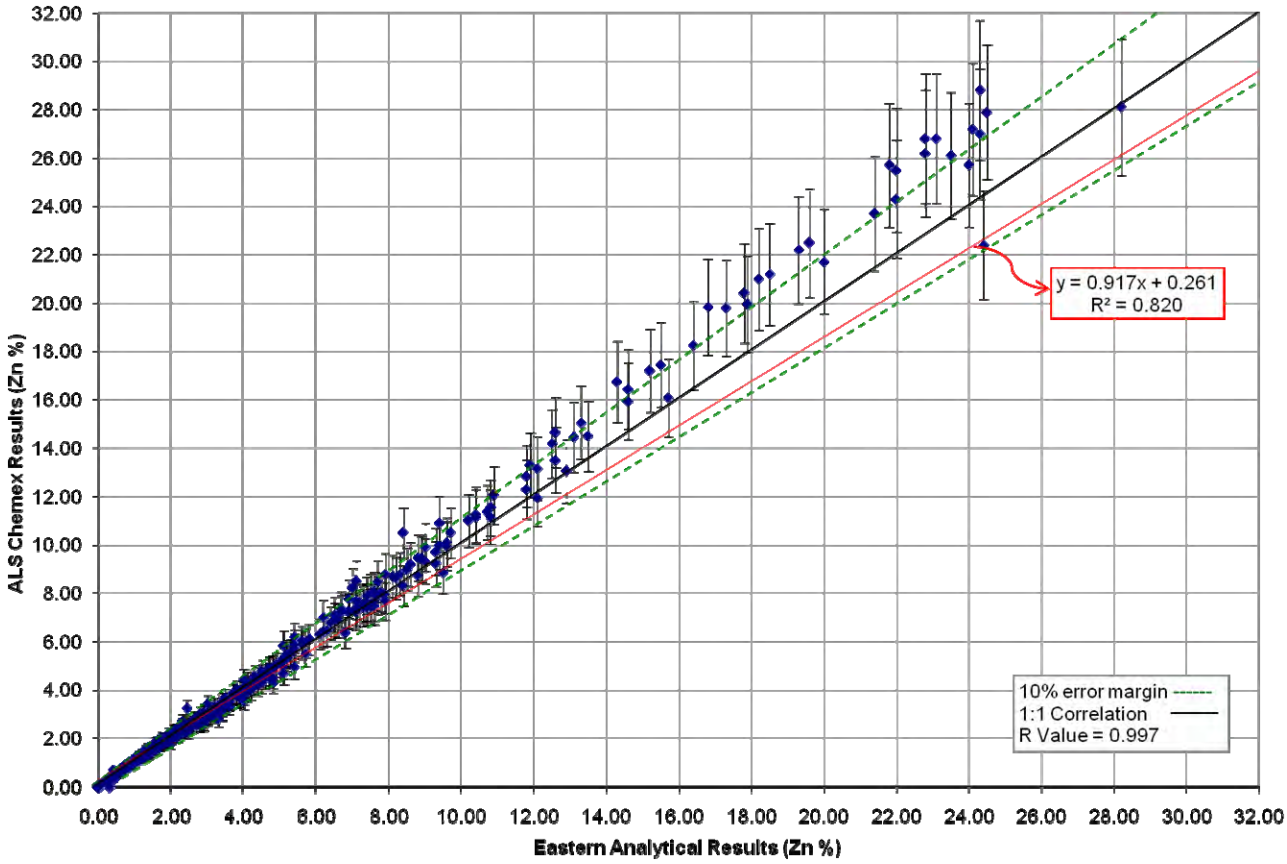
13.4 Check Assay Program

Immediately upon receipt of preliminary sample analysis results from Eastern Analytical, all blanks, standards and ore grade sample material (based on samples with base metal values exceeding upper detection limit of ICP analysis, described above in Section 12.2) were couriered to ALS Chemex in Sudbury, ON for check assay procedures. The samples consisted of the

pulverized material remaining from the preliminary analysis, and generally consisted of >50g of material. ALS analyzed the samples with methods analogous to those used at Eastern Analytical, mentioned above, and reported ore grade results for Zn (%), Pb (%), Cu (%), Ag (g/t), and Au (g/t). The ALS check assay results were then statistically analyzed in conjunction with the preliminary Eastern Analytical data for variance within acceptable limits.

Figure 16 represents the two sample populations of assay results from Eastern Analytical and respective check assay values from ALS Chemex. It was noted that the check assay values reported by ALS Chemex were systematically higher than those reported by Eastern Analytical. The reason for this trend has not been explained. The Resource Estimate described below is based solely on assay results received from Eastern Analytical, and has not incorporated the check assay results from ALS Chemex.

Figure 16: Check Assay Comparison Between ALS Chemex and Eastern Analytical



13.5 Historical Data Validation

Historical information used in this resource has been extracted from digital archives compiled by previous operators and has been verified with original drill logs and supporting documents obtained through assessment files and company documents. No information referring QA/QC methods practiced by previous operators has been located. It is assumed that due to the reputable practices demonstrated by these companies that proper control and QA/QC measures were

implemented. Mercator has not identified any reason to compromise the historical assays and associated data as published.

14.0 Adjacent Properties

No adjacent properties as defined under 43-101 are pertinent to this report.

15.0 Mineral Processing and Metallurgical Testing

In March 2007, RRO engaged Micon International Limited of Toronto to design and supervise a metallurgical testing program for the Daniels Pond deposit.

The metallurgical testing program is currently being conducted at SGS Lakefield Laboratories, and the scope of the program will include:

- Grinding work determinations
- Mineralogical study to determine mineral liberation characteristics
- Roughing floatation tests to develop a grind size: recovery relationship
- Sequential copper/lead/zinc roughing floatation tests to develop an idea of the potential separation
- Cleaning tests to investigate metal recovery to saleable concentrates and reagent requirements
- Heavy media separation tests to determine the viability of pre-concentration

At the date of publication of this report, no preliminary results have been received from Micon.

16.0 Mineral Resource and Mineral Reserve Estimates

16.1 General

Mercator was contracted to assist in the design and implement a diamond drilling program on the Daniels Pond deposit in order to confirm existing mineralization and to improve the confidence in the distribution of mineral grade. All data has been collected, handled, and verified as described in Sections 11.0 and 12.0. All data pre-existing Mercator involvement has been reviewed and validated.

A new resource estimate has been completed from a database compiled from new and existing data. The database has been fully validated and formatted such that it is suitable for use in mineral resource estimation.

16.2 Geological Interpretation Used in Resource Estimation

Mercator staff logged and sampled 71 drill holes from the Daniels Pond deposit to be used in calculating a Mineral Resource Estimate, and in the preparation of this report. Lithological

descriptions were captured in digital format and displayed on geological cross-sections with corresponding assay results. Lithological and mineralogical correlations were determined based on these cross sections. For the purpose of this resource estimate, mineralogical correlation was the defining parameter for the continuity and distribution of mineral grade used to confine the resource.

16.3 Methodology of Resource Estimation

16.3.1 Overview of Current Estimation Procedure

The resource estimate reflects a three-dimensional deposit block model developed by Mercator using Surpac© Version 6.0.1 deposit modeling software. Analytical results for 133 diamond drill holes were used in this model, of which 71 drill holes were from recent RRO drilling. The model utilized 1 m down-hole assay composites individually calculated for Zn%, Pb%, Cu%, Ag g/t, and Au g/t assay values. Model blocks measure 2.5 m x 2.5 m x 2.5 m with sub-blocking at 1.25 m x 1.25 m x 1.25 m. The model was constrained by multiple wireframed solids, based on geological sections that reflect a minimum included grade of 0.75% Zn over a 1.0 m downhole length. No high grade capping factors were applied to zinc, lead, copper, silver or gold values as outliers had insignificant impact on the resource estimate. The resource solids occur between the bedrock-overburden interface and a maximum depth of approximately 300 m below surface. Images of the block model can be seen in Appendix 6.

Metal grades were assigned to the block model using inverse distance squared (ID^2) interpolation methodology with blocks being peripherally constrained by wireframe solids. A grade interpolation search ellipse with major and semi-major axis ranges of 60 m, and minor axis range of 30 m was used. Two calculation domains were defined; these corresponding to the Northeast and the Southwest lobes of the deposit, and search ellipse major axes were oriented, respectively, at azimuths 050º & 025º with vertical inclinations. Major and minor axis parameters were selected based on continuity and distribution of metal grade and reflect geological characteristics of the mineralized zones.

Indicated resources were defined by blocks occurring within resource solids containing three or more drill holes and having a maximum distance to reporting composites of 28 m, and a minimum of 6 reporting composites (to ensure that 2 holes contribute to the grade interpolation of the resource block, refer to Section 16.3.5). All other blocks within the resource solids that met grade criteria were placed in the Inferred resource category.

Results of 364 separate laboratory determinations of specific gravity ("SG") were used in the block model. An average value of 4.052 g/cm^3 was assigned to blocks occurring within the lower grade massive pyrite lithological unit and grade based SG factors ranging from 2.95 g/cm^3 to 4.32 g/cm^3, were otherwise assigned. Details of these assignments are described below in Section 16.3.6.

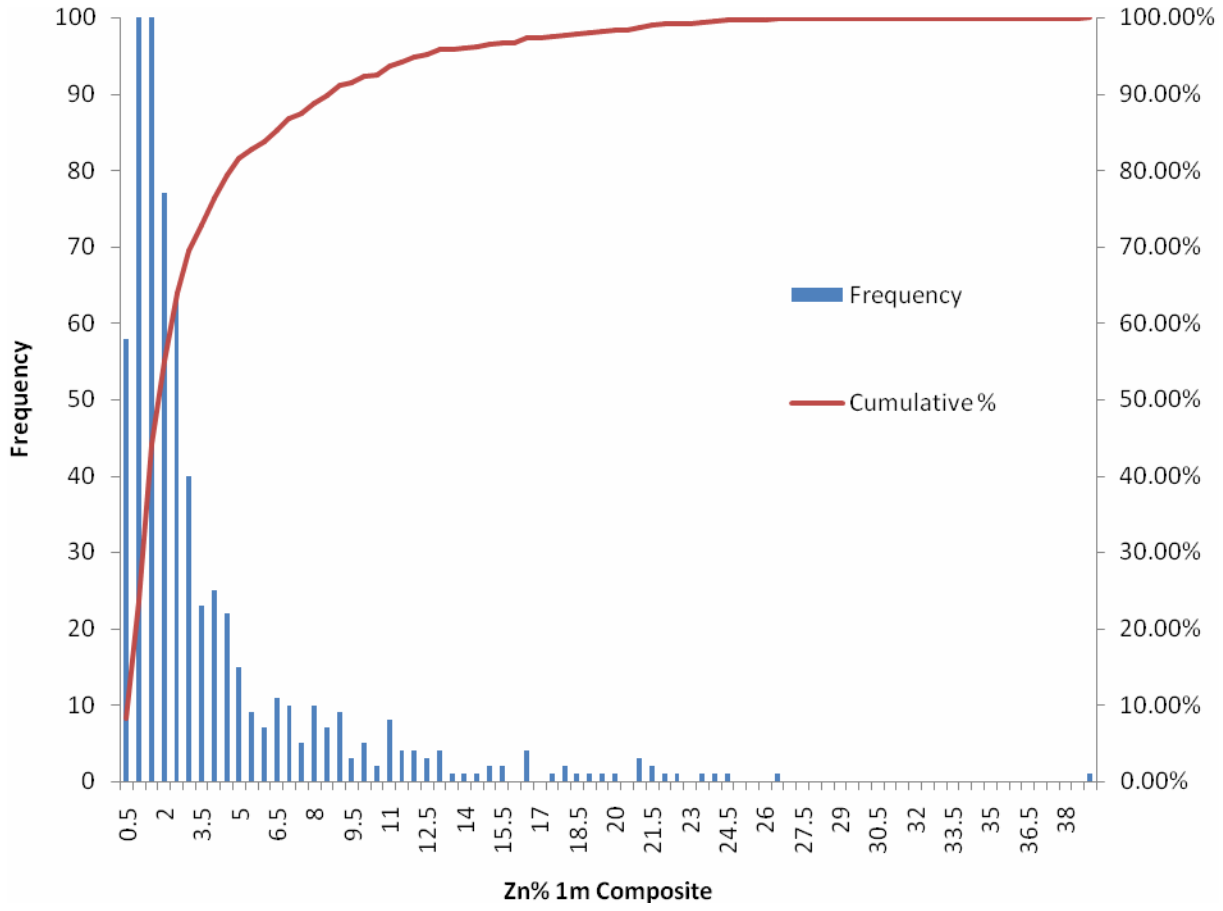
16.3.2 Capping of High Grade Assays

No capping of high grade assays was performed on the Daniels Pond assay dataset. In all instances where considerable high grade assays occurred, the geology and/or surrounding assay

intervals supported the distribution of grade and was not considered to inaccurately influence the resource. Quality control measures outlined in Section 13, have confirmed the validity of the assay data.

A cumulative frequency plot of the 1 m composite Zn% grade dataset used in the resource estimate reports that 9 samples lie within the 99th percentile of Zn > 21.5% (Figure 17). It was determined that the outliers were not extreme, and as such were confirmed to exist within the modeled high grade zone of the deposit. No high grade cut was applied to zinc in this resource estimate.

Figure 17: Cumulative Frequency of 1m Zinc Composites



In the statistical analysis of Ag grade, 10 one-metre composites lie within the 99th percentile (Ag > 430 g/t), with a maximum grade of 5,565.5 g/t Ag. The resource estimate model was performed using both an uncut Ag and a cut Ag value of 430 g/t. The results are as follows:

Table 4: Comparison between Cut and Un-Cut Resource for Silver (g/t)

Zn % Threshold	Ag with 430 g/t cut	Ag g/t Un-cut	Decrease
1.0 Zn %	56.75	57.09	0.6%
1.5 Zn %	81.12	81.63	0.6%
2.0 Zn %	85.16	85.86	0.8%
2.5 Zn %	111.41	112.31	0.8%
3.0 Zn %	135.65	136.80	0.8%

It was concluded that the decrease in resource was negligible, and no grade cut-off was applied to silver in the resource estimate. The gold, lead, and copper composite datasets exhibited no extreme outliers and as such no grade cut-off was applied to these elements.

16.3.3 Compositing of Drill Holes and Statistics

All assay information from historic and current drilling was validated and added to the Surpac© database. All assays lying spatially outside of the interpreted 0.75% Zn cut-off wireframe were excluded from compositing methods. Individual composites for Zn%, Pb%, Cu%, Ag g/t, and Au g/t were calculated over 1m intervals in a downhole direction, within the resource wireframe. These composites were used in determining the block grades in the model. In total, 710 composites were used in the block model interpolation.

Figure 18 represents the histogram distribution of the 1m composite dataset for individual metals used in the calculation of this estimate.

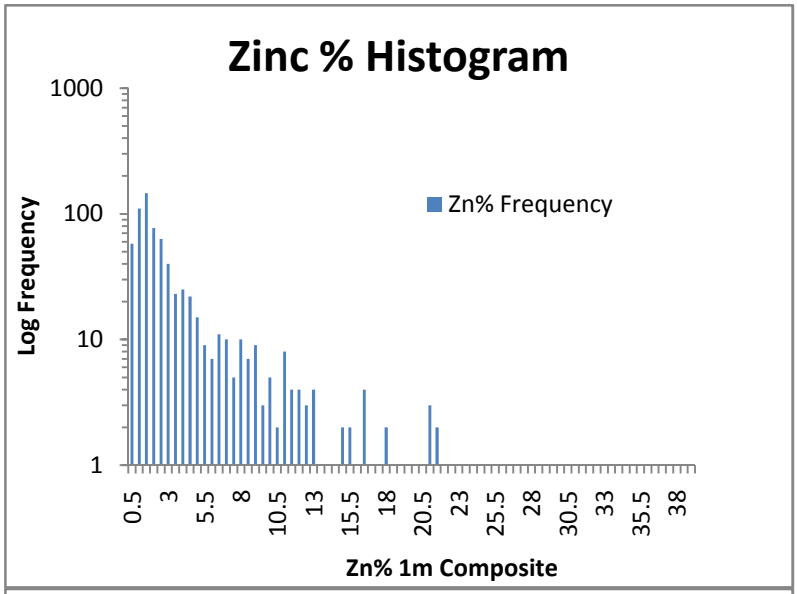
16.3.3 Variography

An Inverse Distance squared (ID^2) interpolation method was performed in this block modeling procedure, and as such no variography was performed in the calculation of the Daniels Pond Resource Estimate.

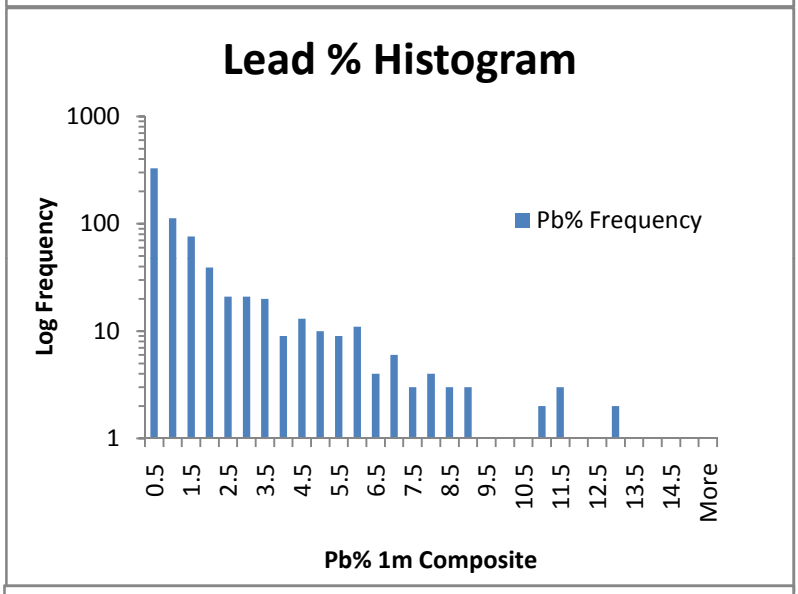
16.3.5 Setup of 3-Dimensional Block Model used in Current Resource

The block model total extents were defined in local grid coordinates (metric) spanning from grid line -8430E to -7230E and from line 2500N to 3150N. The local grid baseline (090º) is oriented at azimuth 050º. Drillhole coordinates used in the resource model are included in Appendix 1. The model extends from a maximum surface elevation of 310 m to -250 m (elevation relative to sea level datum, ASL), with the nominal topographic surface at Daniels Pond being between 260 m and 297 m ASL, depending upon location. All resource solids respect the bedrock/overburden surface. Images of the block model can be seen in Appendix 6.

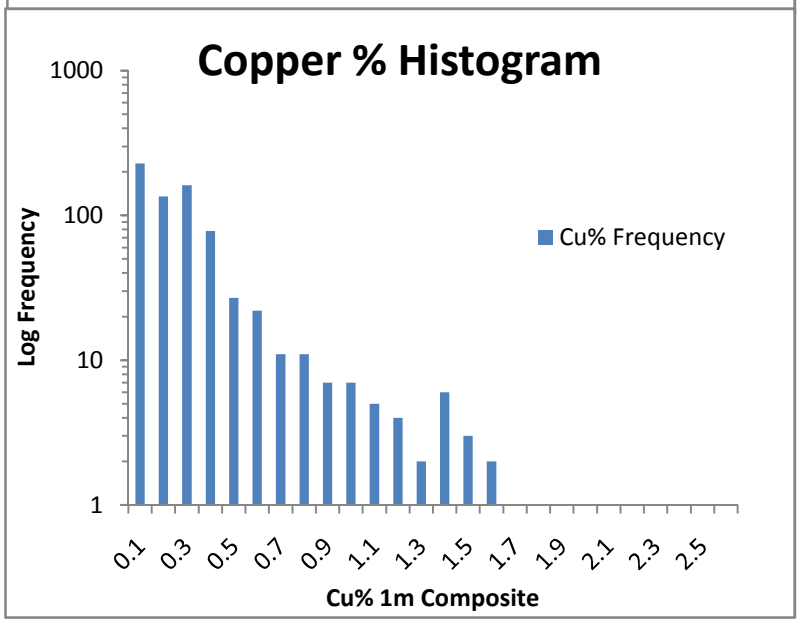
Figure 18: Multi-Element Histograms and Descriptive Stats



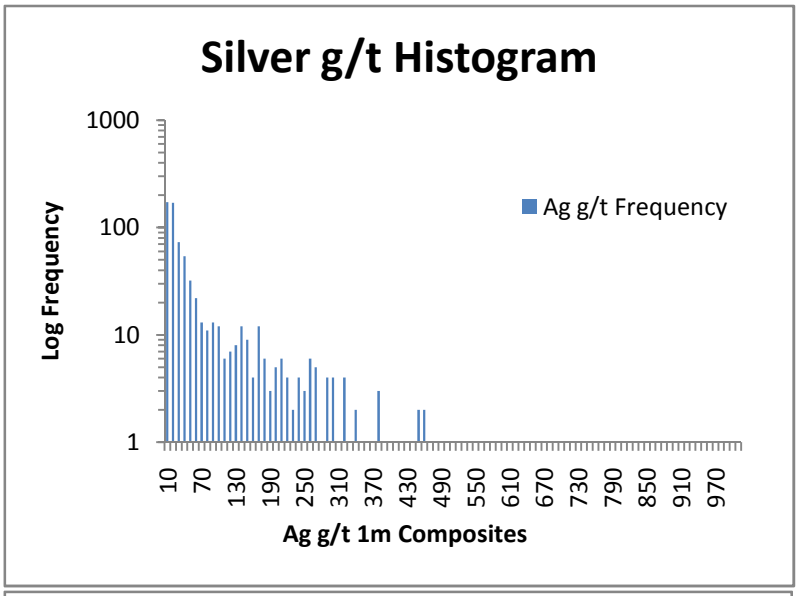
Zn (%)	
Mean	3.40
Standard Error	0.17
Median	1.73
Mode	0.02
Standard Deviation	4.42
Sample Variance	19.52
Kurtosis	12.98
Skewness	3.07
Range	41.18
Minimum	0.02
Maximum	41.20
Sum	2417.07
Count	710.00
Confidence Level(95.0%)	0.33



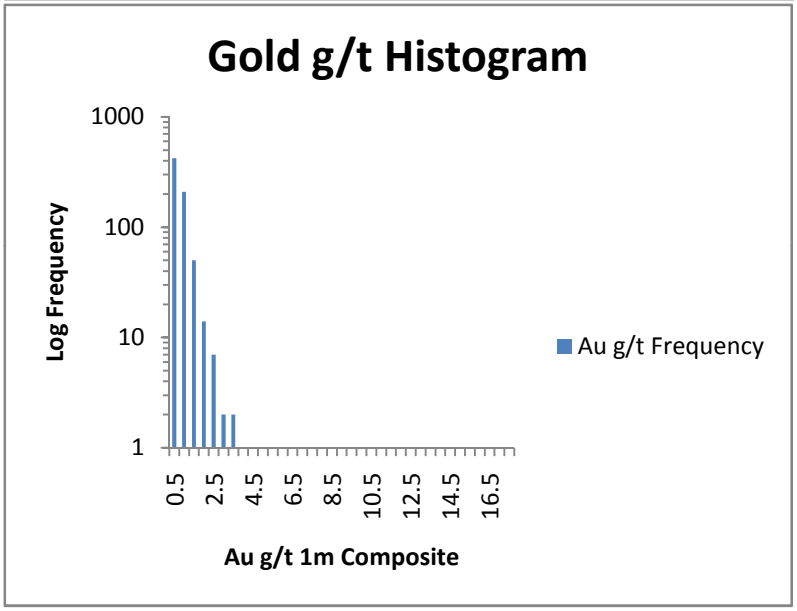
Pb (%)	
Mean	1.57
Standard Error	0.09
Median	0.59
Mode	0.18
Standard Deviation	2.40
Sample Variance	5.74
Kurtosis	9.32
Skewness	2.84
Range	15.75
Minimum	0.00
Maximum	15.75
Sum	1112.72
Count	710.00
Confidence Level(95.0%)	0.18



Cu (%)	
Mean	0.25
Standard Error	0.01
Median	0.20
Mode	0.01
Standard Deviation	0.26
Sample Variance	0.07
Kurtosis	6.43
Skewness	2.32
Range	1.57
Minimum	0.00
Maximum	1.57
Sum	178.86
Count	710.00
Confidence Level(95.0%)	0.02



Ag (g/t)	
Mean	70.33
Standard Error	8.55
Median	20.80
Mode	7.19
Standard Deviation	227.92
Sample Variance	51947.34
Kurtosis	478.14
Skewness	20.04
Range	5565.49
Minimum	0.01
Maximum	5565.50
Sum	49935.75
Count	710.00
Confidence Level(95.0%)	16.79



Au (g/t)	
Mean	0.53
Standard Error	0.03
Median	0.38
Mode	0.05
Standard Deviation	0.77
Sample Variance	0.59
Kurtosis	195.80
Skewness	11.10
Range	15.31
Minimum	0.00
Maximum	15.31
Sum	378.04
Count	710.00
Confidence Level(95.0%)	0.06

A standard block size for the model was established at 2.5 m x 2.5 m x 2.5 m. A minimum sub-block size of 1.25 m x 1.25 m x 1.25 m was permitted to better constrain the model along geological, topographic and peripheral solid limits. Descretisation was 1 x 1 x 1 and no block rotation was applied. The chosen block size reflects the thin and potentially grade-variable character of the deposit, as represented in the geological model to reduce overestimation of volume along mineral boundaries.

Resource estimation was completely constrained within a series of resource solids developed from systematic wireframing of interpreted mineralization envelope limits, extrapolated from a complete set of geological cross sections for the deposit area. The resource solids were developed using a minimum threshold of 0.75% raw zinc values. This threshold was used to allow the final resource grade to be reported at a minimum threshold of 1.0% zinc. Three distinct high grade populations were delineated in the SW lobe, and although a conformable relationship existed with the surrounding low grade stringer mineralization, these populations were modeled separately. These zones consisted of semi-massive to massive base metal sulphides, and were modeled separately based on a 5% cut-off wireframe. Isolating the three mineralized wireframes minimized interpolation smearing of high grade into the lower grade resource, and vice-versa. No volume or grade was lost with this method as the high grade solids were contiguous to lower grade solids.

Wireframe solids were extended 25 m vertically and horizontally from a reporting composite (ie. drill hole composite) or to the midpoint between two drill holes if that distance was less than 25 m. Because of the demonstrated lack of grade continuity within the deposit, 25 m was considered to be an acceptable extrapolation of mineral grade within a reasonable level of confidence. In situations where wireframe solids were defined by one drill hole, and completely isolated from the main deposit, the maximum extent of the wireframe from the drill hole intersection was increased to 37.5 m. The limits of the deposit were modeled as tapered wireframes where geological interpretation suggested a continuity of mineral grade below the grade cut-off into adjacent drill holes.

Due to spatial isolation of drill holes with grade above the 0.75% zinc threshold, and interpretation of multiple discrete zones of mineralization, the term “resource solid” is best described as a collection of discrete solids within the bounds of the block model extents. In total 38 solids were defined to properly model grade distribution, of which 3 define a higher grade core which was interpreted to be constrained. All resource solids were developed directly from composited drill core sampling results.

16.3.6 Material Densities

Density information used in the resource estimate is based on drill core data collected by Mercator staff in-stream of the RRO 2007 diamond drill program. All samples which were analyzed using ore grade methods at Eastern Analytical were then sent to ALS Chemex, and in addition to quality assurance check assaying procedures sample pulps were subjected to specific gravity (SG) determinations using pycnometer methods (ALS method OA-GRA08b, refer to Section 12.2). In total 1225 samples were analyzed for SG, of which 364 pertained to and were used in this resource.

No historic information was obtained with reference to specific gravity at the Daniels pond deposit. It was therefore decided that the data obtained by RRO sample analyses from ALS

Chemex be incorporated into the database in order to determine a useable SG value. Due to the variable rock composition across the deposit, the following method was used to obtain a unique SG value based on location and grade of the resource block, which is considered to be representative of 'real-world' conditions.

The dataset was spatially catalogued and plotted to determine a specific relationship between grade and location in the deposit. The data was composited over 1 m intervals, analogous to the grade composites used in the resource calculation. The data population that lay within the defined resource wireframe was extracted, and plotted as %Zn vs. SG (Figure 19). Two distinct populations were outlined, one exhibiting a direct relationship with Zn grade, and the second showing no correlation with grade. The spatial relationship revealed that the second population lies predominantly in the NE Lense. Geological control determined that this second population is associated with the lower grade massive pyrite lithological unit. The first population was then attributed to have a direct relationship with the base metal enriched mineralization across the rest of the property.

Density of Massive Pyrite samples:
A wireframe of the massive pyrite zone was created based on geological correlation, and confirmed by plotting the sample population postulated as massive pyrite from the comparison between %Zn vs. SG. It was determined that the mean SG of the massive pyrite body was 4.052 g/cm^3, with a coefficient of variance equal to 0.09. Figure 20 illustrates a histogram plot of SG defined by the massive pyrite body. All resource blocks contained within this massive pyrite wireframe were allocated an SG of 4.052 g/cm3, based on this determination method.

Figure 19: Analysis of Zinc and Specific Gravity

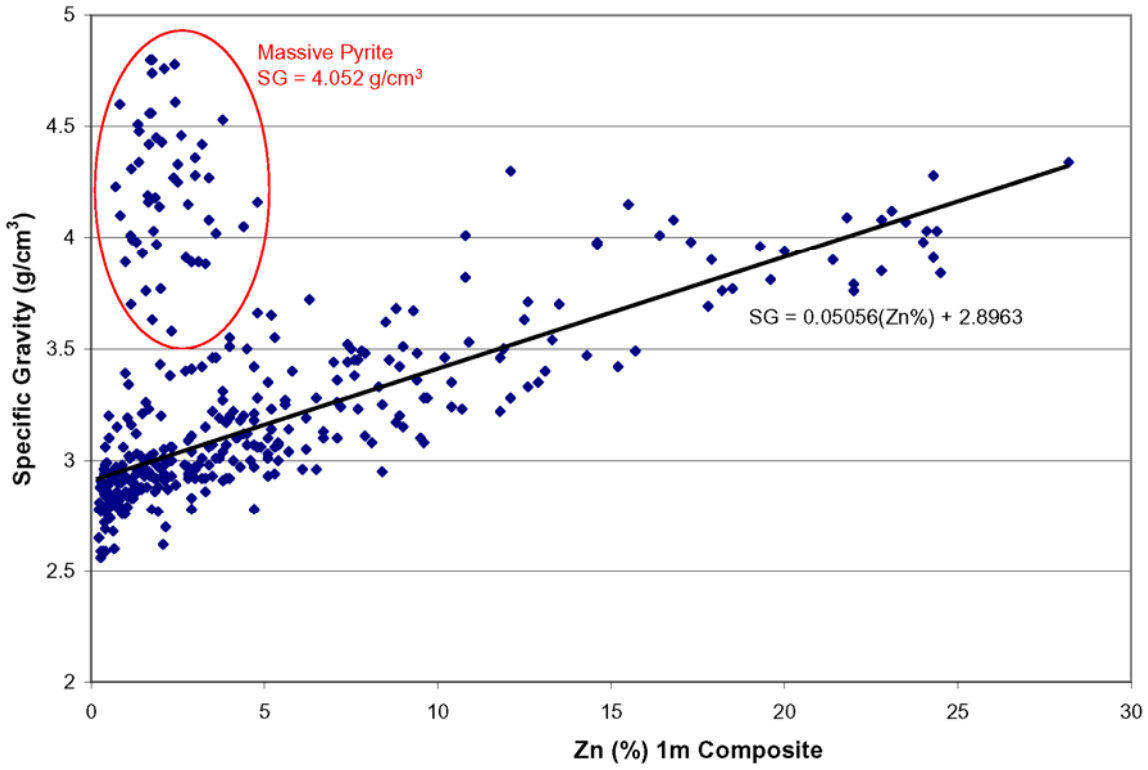
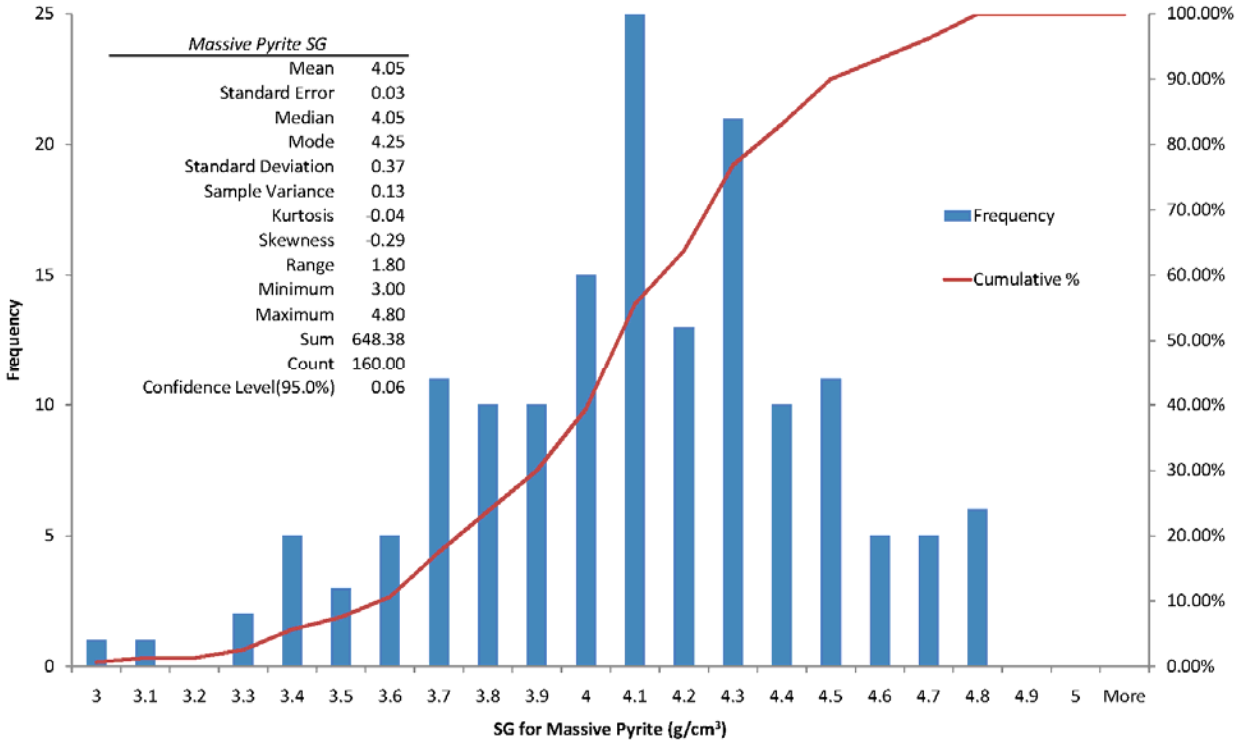


Figure 20: Specific Gravity Frequency Plot for Massive Pyrite Zone



Density Outside of Massive Pyrite:

Using all 1 m composite samples contained within the resource wireframe, and excluding those from the massive pyrite block, it was further supported that a direct relationship exists between %Zn and %Pb (coefficient of determination, R2 = 0.839), and between %Zn and %Cu (coefficient of determination, R2 = 0.713) (Figure 21 & 22). This supports equal influence of the mineral's SG in association with mineral grade. Linear regression of %Zn vs. SG results in a usable proxy to determine SG for resource blocks outside of the interpreted massive pyrite body. This formula (SG=0.0505*{Zn%}+2.90) (Figure 19) was used to calculate the SG of each resource block within the model that was not associated with the massive pyrite interpretation. SG values ranged from 2.95 g/cm3 to 4.32 g/cm3. Table 5 lists descriptive statistics for the specific gravity values used in the resource model.

Table 5: Descriptive Statistics for Block Model Density Values (for entire resource model)

Parameter	Value
Mean	3.197
Variance	0.128
Standard Deviation	0.358
Coefficient of variation	0.112
Maximum value	4.317
Minimum value	2.951
Number of samples	220564

Figure 21: Composite Lead and Zinc Comparison

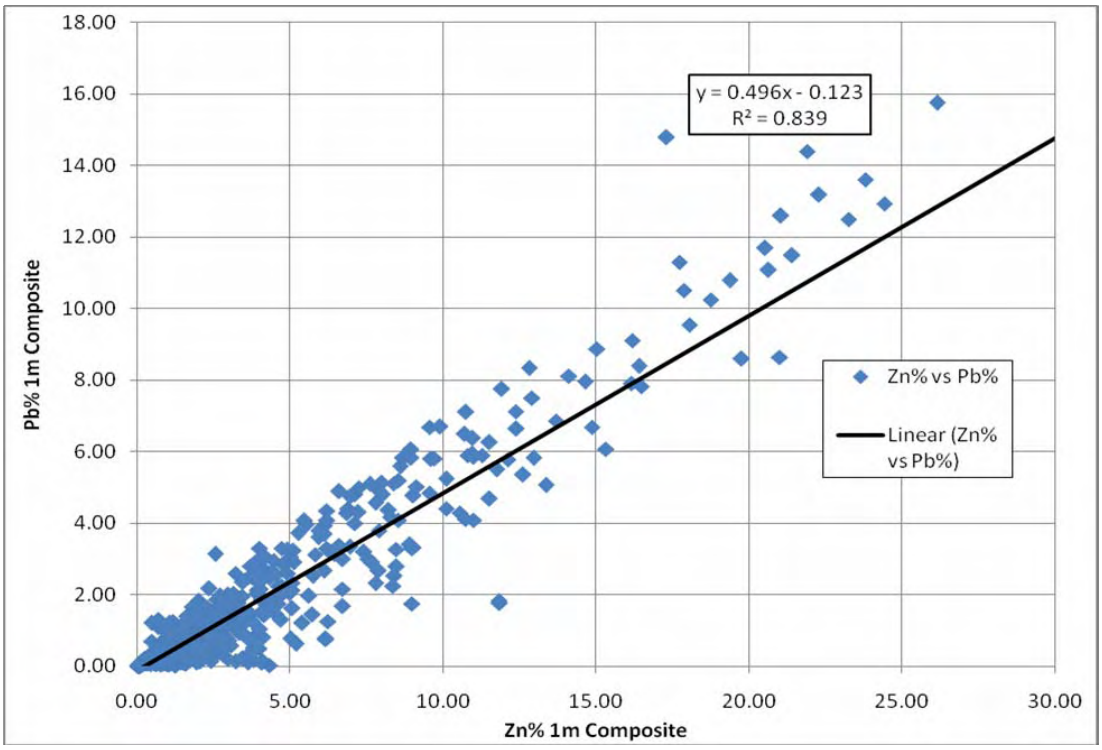
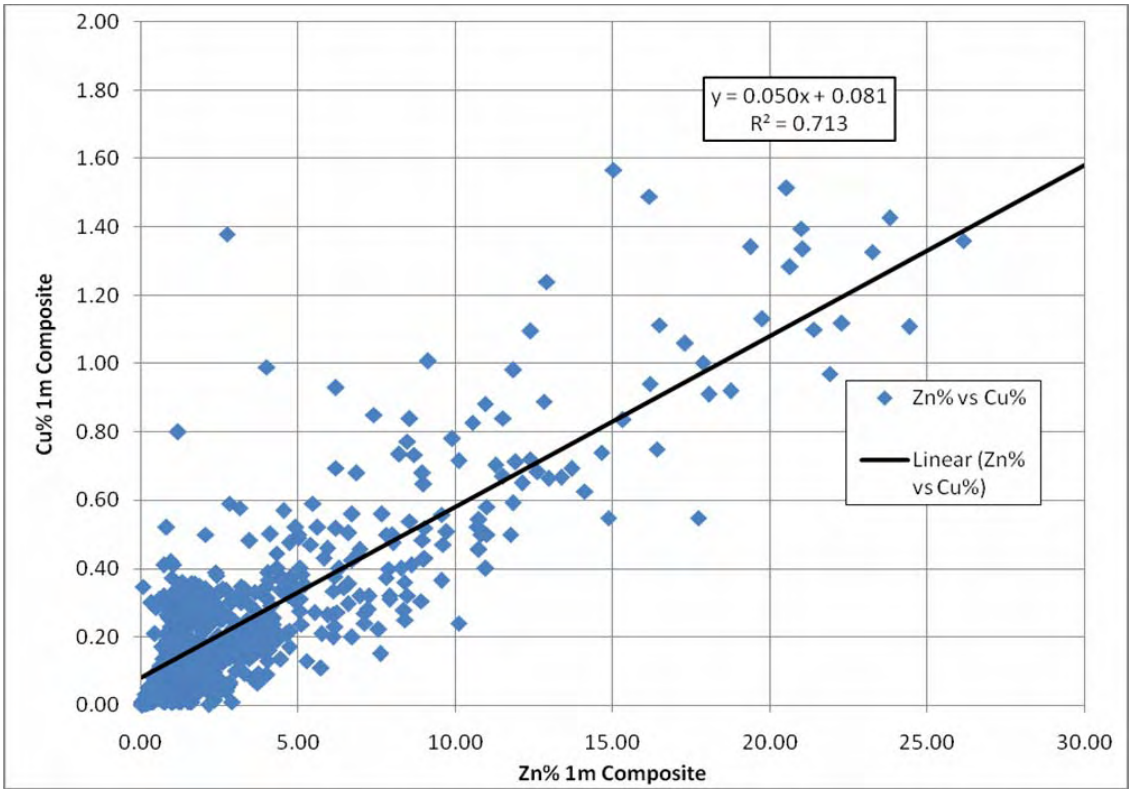


Figure 22: Composite Copper and Zinc Comparison



16.3.7 Interpolation Ellipse and Resource Estimation

Inverse Distance Squared (ID^2) grade interpolation methodology was used to assign block model grades with blocks being fully constrained by limits of the resource solids. The search ellipse used for grade interpolation was developed on the basis of the deposit's geological model defined from interpolation of geological cross sections. A major axis bearing domain at 245º (local grid) or 185º azimuth (true) on blocks west of line -7550E (local grid), and a major axis bearing domain of 270º (local grid) or 210º azimuth on blocks east of line -7550E (local grid) were defined based on major trends of mineralization observed. A major axis bearing of 230º (local grid) or 160º azimuth was defined at a single solid located in between lines -8320E and -8200E in order to properly model a different mineralization trend observed on that particular solid. A dip of 0º and a plunge of 90º were determined to account for the general vertical aspect of the resource solids.

Major and semi-major axis ranges were set at 60 m to include drill holes on adjacent sections that are separated by approximately 50 m, as well as inclusion of intervening and irregularly spaced holes. The minor axis range was set at 30 m to encompass all composites lying within the constraint solid, with a maximum thickness of 15 m, and to accommodate all irregularities in the surface boundary of the constraint solid.

Passes of ID^2 and ID^3 grade interpolation using the search ellipse described above were completed in each bearing domain for zinc, lead, copper, gold and silver. These passes were followed by passes using a variety of major, semi-major and minor axis ranges. Grade distribution results were modeled at thresholds of 0.1%, 0.5%, 1.0%, 1.5%, 3.0%, 5.0%, 7.5% and 10.0% for zinc as well as lead values and compared to cross sections used to develop the geological model. This showed that a 60 m x 60 m x 30 m interpolation ellipse provided the best fit of grade trends to the geological model and on this basis it was retained for the final estimation purposes. Use of smaller ellipses resulted in poor grade correlation in areas where reasonable geological certainty existed and larger ellipses extended higher grade values to some areas that did not have sufficient geological support.

A constraint of a maximum of 5 composite samples per drill hole was applied to each resource block. In effect, this forced the interpolation algorithm to search to adjacent drillholes for data points once a maximum of five data points were reached from any one particular drill hole. This encouraged an influence of grade from surrounding drill holes in the interpolation method on any particular block, preserved the heterogeneity of grade along drill holes, and reduced the smoothing of variable grade of resource blocks along any drill hole. A maximum of 15 reporting composites from all surrounding drill holes was applied to limit excessive influence in areas of high density drilling.

The final resource model was generated by running the 60 m x 60 m x 30 m interpolation ellipse within each bearing domain. Estimation was performed using the ID^2 method as it provided a more satisfactory visual grade distribution and correlation than the ID^3 and nearest neighbour methodologies. Block grade, block density and block volume parameters were combined to produce the final deposit tonnage and grade estimate. Results of the resource estimation program are presented in Table 6 below and are compliant with the Canadian Institute of Mining, Metallurgy and Petroleum Standards on Mineral Resources and Reserves: Definitions and Guidelines (the CIMM Standards) as well as disclosure requirements of National Instrument 43-

101. Resources are classified in the Inferred and Indicated category and factors supporting such classification are discussed below in section 16.3.8.

Table 6: Daniels Pond Deposit Mineral Resource Estimate by Zn% Cut-off – March 11, 2008

Inferred Resource						
Zn % Threshold	**Tonnes**	**Zn %**	**Pb %**	**Cu %**	**Au g/t**	**Ag g/t**
1.0 Zn %	733,000	2.83	1.22	0.24	0.53	57.09
1.5 Zn %	445,000	3.88	1.74	0.27	0.52	81.63
2.0 Zn %	332,000	4.61	2.13	0.30	0.53	85.86
2.5 Zn %	236,000	5.59	2.79	0.32	0.55	112.31
3.0 Zn %	167,000	6.77	3.43	0.37	0.66	136.80

Indicated Resource						
Zn % Threshold	**Tonnes**	**Zn %**	**Pb %**	**Cu %**	**Au g/t**	**Ag g/t**
1.0 Zn %	1,513,000	3.70	1.73	0.27	0.56	79.37
1.5 Zn %	1,162,000	4.44	2.12	0.31	0.60	87.79
2.0 Zn %	929,000	5.13	2.50	0.34	0.63	101.40
2.5 Zn %	787,000	5.65	2.77	0.37	0.68	111.03
3.0 Zn %	602,000	6.55	3.23	0.42	0.74	127.37

16.3.8 Resource Category Definitions and Classification

A "Mineral Resource" is a concentration or occurrence of natural, solid, inorganic or fossilized organic material in or on the earth's crust in such form and quantity and of such a grade or quality that it has reasonable prospects for economic extraction. The location, quality, grade, geological characteristics and continuity of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge.

Inferred Mineral Resource

An *Inferred Mineral Resource* is that part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics, 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.

In this report, an *Inferred Mineral Resource* is considered to be any resource grade within the delineated resource model that does not fulfill the minimum confidence of an *Indicated Mineral Resource*.

Indicated Mineral Resource

An *Indicated Mineral Resource* is that part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics are so well established that they can be estimated with confidence sufficient to allow the appropriate application of technical and economic parameters to support mine planning and evaluation of the economic viability of the resource gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings, and drill holes, that are spaced closely enough for geological and grade continuity to be reasonably assumed.

In this resource, an *Indicated Mineral Resource* is considered to be any resource grade within the delineated resource model that is subject to the confidence parameters specified below:

- Any resource block which demonstrates at least two-dimensions of grade continuity, mainly a wireframe body delineated from three or more drill holes;
- And, any resource that lies within a maximum distance of 25m from a known mineral intersection;
- And, any resource that uses at least 6 reporting composites in the calculation of the individual resource block (indirectly confirming influence from at least two separate drill holes).

Measured Mineral Resource

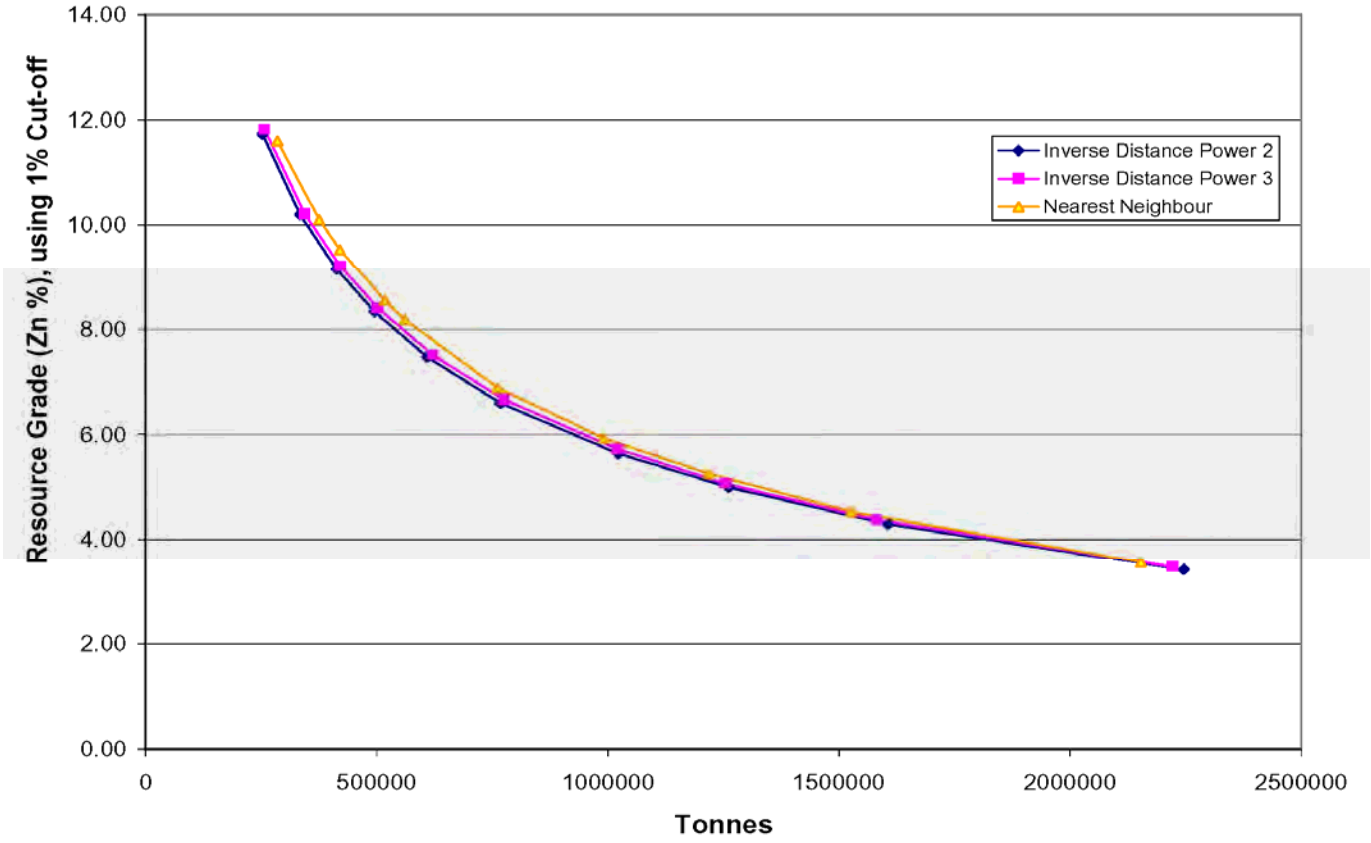
A *Measured Mineral Resource* is that part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics are so well established that they can be estimated with confidence sufficient to allow the appropriate application of technical and economic parameters, to support production planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings, and drill holes, that are spaced closely enough to confirm both geological and grade continuity.

There is no *Measured Mineral Resource* in this estimation.

16.3.9 Validation of Model

The mineral resource was calculated using nearest neighbor (NN) and inverse distance cubed (ID^3) grade interpolation methodologies on the block model. A comparison of grade versus tonnage for all three methodologies (ID^2, ID^3, NN) can be seen in figure 23. It can be seen all three methods result in similar magnitude and distribution of resource estimate.

Figure 23: Validation of Resource Calculation Methodology



16.4 Previous Resource or Reserve Estimations

Two previous mineral resource estimates have been completed for Daniels Pond, the details of which are reviewed below.

16.4.1 1999 Resource Calculation, Taiga Consultants Ltd Calgary, Alberta

In 1999 Robin E. Chisholm of Taiga Consultants Ltd., Calgary AB, performed an independent resource calculation using a polygonal method based on 25 intersections, validated and corrected, from a historically based longitudinal section created by BP. The calculation was performed prior to current NI 43-101 regulations. This resource is considered historic in nature and should not be relied upon.

The results of the calculation were as follows:

Table 7: Historic Daniels Pond Resource, 1999 Taiga Consultants

Parameters	Zn %	Pb %	Cu%	Ag g/t	Au g/t	Tonnes (x 10^6)
Zn cut-off = 1%, SG 3.5	3.15	1.36	0.17	97.51	0.35	4.02
Zn cut-off = 2%, SG 3.5	6.60	3.53	0.39	189.28	0.43	1.40
Zn cut-off = 2%, width ≥ 2m, SG 3.5	6.37	3.46	0.38	177.69	0.41	1.32
Author's cu-off, width ≥ 2m, SG 4.0	7.71	4.13	0.47	207.15	0.5	1.06

16.4.2 2004 Resource Calculation, Taiga Consultants Ltd, Calgary, Alberta

In 2004 Michael D. Jamieson of Taiga Consultants Ltd., Calgary AB, performed an independent resource calculation using a polygonal method based on 45 intersections of drilling completed to date, validated and corrected, from a longitudinal section created by Taiga personnel. The resource calculation revised and updated the previous calculation from 2001, and included recent drilling from 2002 and 2003. The calculation conformed to CIM standards and regulations.

The inferred resource was estimated using the polygonal method of volume calculation applied to vertical longitudinal sections. Resource block boundaries were placed equidistant between adjacent drill holes, and in the absence of an adjacent drill hole, to a maximum distance of 50 metres. Surface areas for all resource polygons were measured on the vertical longitudinal sections and trigonometrically adjusted for the average dip of 85 degrees. The contents of the Taiga report were reviewed in preparation of this report but a complete audit of the technical information contained in the report was not undertaken by the authors. However, the methods and the calculation used by Taiga differ from those used by Mercator. The Taiga technical report is available on SEDAR.

The results of the calculation were as follows:

Table 8: Historic Daniels Pond Resource, 2004 Taiga Consultants

Parameters	Zn %	Pb %	Cu %	Ag g/t	Au g/t	Tonnes (x 10^6)
Zn cut-off = 1%, S.G. 3.5	3.14	1.35	0.18	96.9	0.35	4.05
Zn cut-off = 2%, width ≥ 2m, S.G. 4.0	6.76	3.59	0.41	163.0	0.5	1.81

16.4.3 2006 Resource Calculation, Taiga Consultants Ltd Calgary, Alberta

In 2006 Michael D. Jamieson of Taiga Consultants Ltd., Calgary AB, performed an independent resource calculation using a polygonal method based on 31 intersections of drilling completed to date, validated and corrected, from a longitudinal section created by Taiga personnel. The calculation was classified as a NI 43-101 compliant Inferred Mineral Resource estimate, and conformed to CIM standards and regulations.

The inferred resource was estimated using the polygonal method of volume calculation applied to vertical longitudinal sections. Resource block boundaries were placed equidistant between adjacent drill holes, and in the absence of an adjacent drill hole, to a maximum distance of 50 metres. Surface areas for all resource polygons were measured on the vertical longitudinal sections and trigonometrically adjusted for the average dip of 85 degrees. The contents of the Taiga report were reviewed in preparation of this report but a complete audit of the technical information contained in the report was not undertaken by the authors. However, the methods and the calculation used by Taiga differ from those used by Mercator. The Taiga technical report is available on SEDAR.

The results of the calculation were as follows:

Table 9: Historic Daniels Pond Resource, 2006 Taiga Consultants

Parameters	Zn %	Pb %	Cu %	Ag g/t	Au g/t	Tonnes (x 10^6)
Zn cut-off = 1%, S.G. 3.5	4.03	1.80	0.37	96.9	0.35	4.21
Zn cut-off = 2%, width $\geq$ 2m, S.G. 4.0	8.37	4.4	0.57	196.9	0.68	1.69

17.0 Other Relevant Data and Information

17.1 Environmental Considerations

There are currently no known significant environment considerations pertaining to the Daniels Pond property. Water quality monitoring, and wildlife monitoring programs are currently in place in an effort to obtain baseline data that would be suitable for environmental assessment purposes.

18.0 Interpretation and Conclusions

Royal Roads Corp. holds mineral rights to both the Tulks North and Long Range Nickel Properties, both of which are located in central Newfoundland. The Tulks North Property is host to 11 mineral prospects and 1 deposit with a known resource defined by NI 43-101 guidelines. Exploration initiatives in the Tulks Belt are focused on base metal mineralization in polymetallic

(Zn-Pb-Cu-Ag-Au) VMS style environments. The Long Range Nickel Property is a grassroots exploration project with potential to host magmatic Ni-Cu sulphides.

The Daniels Pond deposit is a polymetallic VMS deposit with at least two semi-conformable, discontinuous, semi-massive to massive sulphide lenses of variable mineral grade, mainly the SW and the NE lens. The deposit was the subject of one previous NI 43-101 compliant resource, dated October, 2006. The 2006 resource is now replaced by this technical report submission, dated April 2008, which uses all drilling data available from 1989 to present on the Daniels Pond deposit to calculate a National Instrument 43-101, and CIMM compliant Mineral Resource Estimate as follows:

Table 10: Daniels Pond Mineral Resource Estimate

Inferred Resource						
Zn % Threshold	**Tonnes**	**Zn %**	**Pb %**	**Cu %**	**Au g/t**	**Ag g/t**
1.0 Zn %	733,000	2.83	1.22	0.24	0.53	57.09
1.5 Zn %	445,000	3.88	1.74	0.27	0.52	81.63
2.0 Zn %	332,000	4.61	2.13	0.30	0.53	85.86
2.5 Zn %	236,000	5.59	2.79	0.32	0.55	112.31
3.0 Zn %	167,000	6.77	3.43	0.37	0.66	136.80

Indicated Resource						
Zn % Threshold	**Tonnes**	**Zn %**	**Pb %**	**Cu %**	**Au g/t**	**Ag g/t**
1.0 Zn %	1,513,000	3.70	1.73	0.27	0.56	79.37
1.5 Zn %	1,162,000	4.44	2.12	0.31	0.60	87.79
2.0 Zn %	929,000	5.13	2.50	0.34	0.63	101.40
2.5 Zn %	787,000	5.65	2.77	0.37	0.68	111.03
3.0 Zn %	602,000	6.55	3.23	0.42	0.74	127.37

It is concluded that the quality control and assurance measures implemented on sample analysis has ensured accuracy, precision, and zero contamination and therefore all assays used in the Daniels Pond Resource Estimate are considered to be valid.

Drilling at the Parking Lot showing confirmed the presence of a copper sulphide stockwork system, but has yet to provide evidence of an associated VMS style exhalative horizon.

The drill program at Daniels Pond Extension tested but failed to explain regional geophysical targets. The program did not test the known mineralization intersected in historic drilling, the mineralized horizon remains open along strike and down dip to the northeast and southwest.

At Harbour Round Pond, one drill hole intersected mineralization which explained a coincident base metal soil anomaly. This mineralization remains open in all directions, and the results of the drill program warrant addition exploration.

It is also concluded that significant base metal potential exists within the Tulks North Property, and a recommended exploration program is listed in Section 19.0 to further evaluate prospective targets.

19.0 Recommendations (Revised June 13th, 2008)

This report was revised on June 13, 2008 and reflects modification to the Phase 1 drilling budget of the Original April 2008 report. The authors have reviewed the recommendations in this report and find that the increased drilling budget is warranted. Based on the results of the work completed for this report the authors make the following recommendations.

1) Complete 1,850 m of diamond drilling at Daniels Pond to test the down dip extension of base metal mineralization within the central part of the deposit at depth beyond 150m below surface as outlined in Table 11 and Figure 24.

Table 11: Proposed Phase 1 Drilling Daniels Pond

Hole ID	Grid E	Grid N	Elevation	Az TN	Dip	Total Depth (m)	Phase	Core Size
PROP-1	-8500	2215	300	320	-60	500	1	NQ
PROP-2	-7950	2530	300	320	-60	500	1	NQ
PROP-3	-7150	2850	300	320	-60	500	1	NQ
PROP-4	-7100	3030	300	320	-55	350	1	NQ

2) Complete metallurgical testing currently contracted to Micon International.

3) Complete 4 lines, at 2.4 km in length, totaling 9.6 km of Titan 24 DCIP resistivity survey.

4) Complete a detailed evaluation of Tulks North compilation report in order to outline new exploration targets on the property.

5) Complete a detailed assessment of the Jacks Pond prospect including the development of a digital drill hole database of historic drilling.

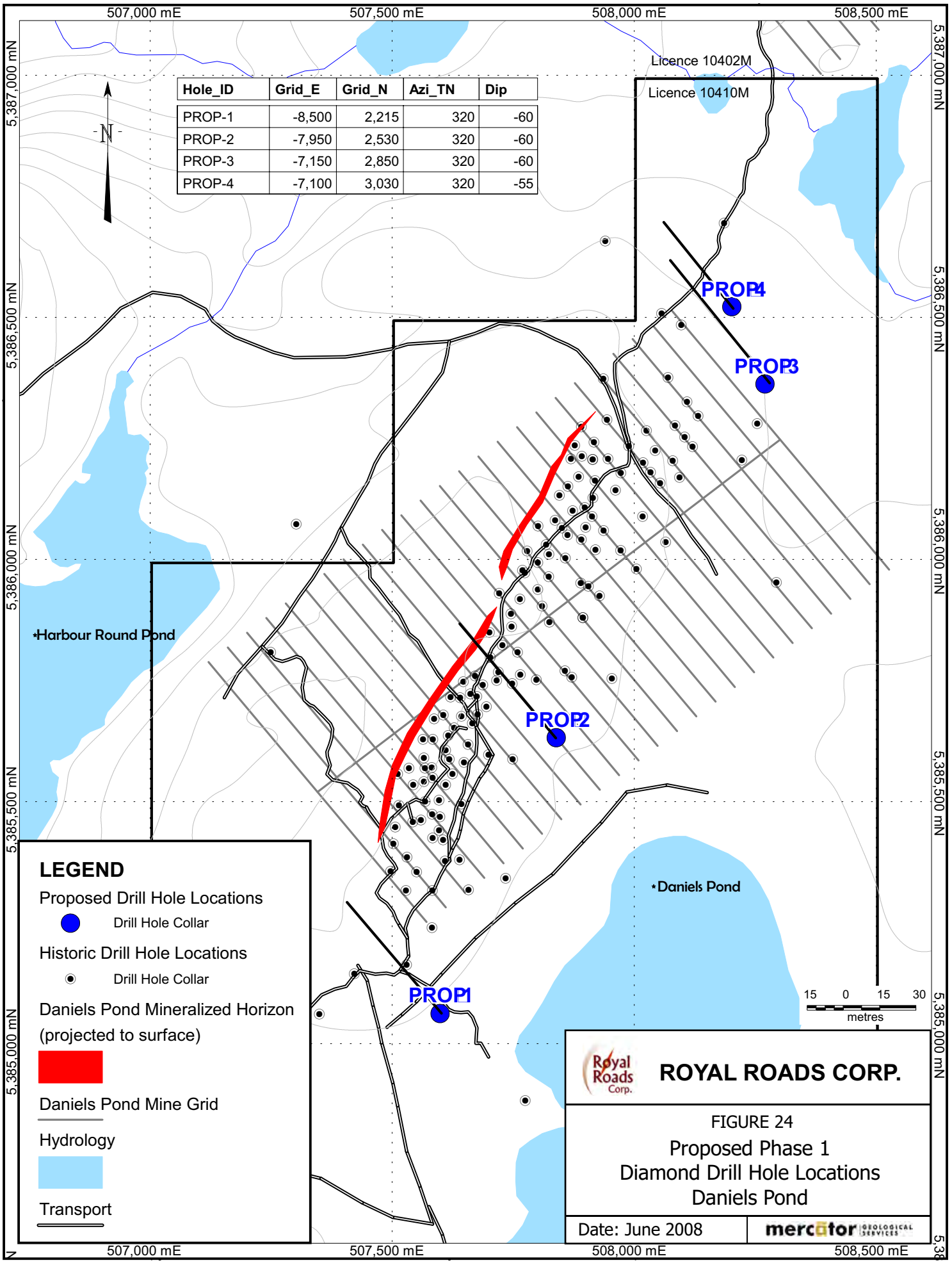
6) Outline diamond drilling targets on the most prospective new exploration targets on the Tulks North property.

7) Complete a detailed assessment of the Long Range Nickel property, including property evaluation, helicopter airborne electromagnetic survey, and prospecting.

8) Completed trenching of the most prospective targets on the Long Range Nickel property.

9) Complete Phase 2 diamond drilling on the Tulks North targets and Long Range Nickel targets only if warranted by the results of the Phase 1 program.

Based on the recommendations presented above the following Phase 1 and Phase 2 estimated budgets are proposed.


507,000 mE
507,500 mE
508,000 mE
508,500 mE
5,387,000 mN
5,386,500 mN
5,386,000 mN
5,385,500 mN
5,385,000 mN
Licence 10402M
Licence 10410M
N
Hole_ID | Grid_E | Grid_N | Azi_TN | Dip
PROP-1 | -8,500 | 2,215 | 320 | -60
PROP-2 | -7,950 | 2,530 | 320 | -60
PROP-3 | -7,150 | 2,850 | 320 | -60
PROP-4 | -7,100 | 3,030 | 320 | -55
PROP4
PROP3
PROP2
PROP1
Harbour Round Pond
Daniels Pond
LEGEND
Proposed Drill Hole Locations
Drill Hole Collar
Historic Drill Hole Locations
Drill Hole Collar
Daniels Pond Mineralized Horizon
(projected to surface)
Daniels Pond Mine Grid
Hydrology
Transport
15 0 15 30
metres
ROYAL ROADS CORP.
FIGURE 24
Proposed Phase 1
Diamond Drill Hole Locations
Daniels Pond
Date: June 2008
mercator GEOLOGICAL SERVICES

Proposed Phase 1 Budget

Tulks North Estimated Phase 1 Budget

Survey	Units		Estimated Costs
Geology (Reports, Planning, Compilation)	90	days	$50,000
Geology (Field, Relogging Etc, Includes Assistant & Expenses)	90	days	$116,000
Metallurgical Testing (Micon International)			$100,000
Geophysics (Titan 24 Survey)	9.6	km	$130,000
Geophysics (Borehole Pem)	3000	m	$76,000
Drilling Daniels Pond			
Mobe/Demobe (~$4,000/1000m)	$4.00	m	
Drilling (contract costs)	$145.00	m	
Camp costs (house & shack rental, $2500/1000 m)	$2.50	m	
Drill Misc. Core shack/saw/blades ($4500 month/1000 m)	$4.50	m	
Geologist & Assistant (incl. expenses)	$37.00	m	
Assays ($70/sample, 10 samples/100 m)	$7.00	m	
Total Cost per Meter	**$200.00**	m	
Total estimated drilling as outlined above @$200/m	**1850**	**m**	**$370,000**
Tulks North Total			**$842,000**

Long Range Nickel Estimated Phase 1 Budget

Survey	Units		Estimated Costs
Geology (Reports, Planning, Compilation)	30	Days	$16,000
Cutting (Drill Site Prep)	2	Days	$1,500
Geology (Field, Relogging Etc Includes Assistant & Expenses)	30	Days	$40,000
Helicopter Airborne Surveys	74	Km^2	$142,000
Trenching	5	Day	$16,000
Long Range Nickel Total			**$215,500**

Proposed Phase 2 Budget

Phase 2 exploration is contingent on positive results of the Phase 1 programs.

Tulks North Estimated Phase 2 Budget

Survey	Units		Estimated Costs
Geology (Field Mapping, Reports, Planning)	25	days	$13,750
Drilling (Includes Assays & Geologist Etc.@ $200/m)	5000	m	$1,000,000
Tulks North Total			**$1,013,750**

Long Range Nickel Estimated Phase 2 Budget

Survey	Units		Estimated Costs
Geology (Field Mapping, Reports, Planning)	10	days	$5,500
Drilling (Includes Assays & Geologist Etc. @ $200/m)	2500	m	$500,000
Long Range Nickel Total			**$505,500**

Dated this 13th Day of June, 2008.

[Original Signed and Sealed by]

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Signature of Qualified Person

Peter C. Webster, B.Sc., P.Geo.
President
Mercator Geological Services Limited

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21.0 Statement of Qualifications

STATEMENT OF QUALIFICATIONS

Peter C. Webster

I am Peter C. Webster, of 186 Crichton Ave., Dartmouth, Nova Scotia, and hereby certify that:

1) I am the President of Mercator Geological Services Limited a private consulting firm offering geological services, and located at 65 Queen St. in Dartmouth, Nova Scotia.

2) I am a Professional Geoscientist, licensed to practice by the Association of Professional Engineers and Geoscientists of Newfoundland, Registration No.: 03337.

3) I am a Professional Geoscientist, licensed to practice by the Association of Professional Geoscientists of Nova Scotia, Registration No. 0047.

4) I am a graduate of Dalhousie University, from which I received a Bachelor of Science degree in Geology in 1981.

5) I received a Certificate of Enviromental Management from the Technical University of Nova Scotia in 1996.

6) I have worked as a geologist in Canada and internationally since graduation from university.

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

8) I am the qualified person responsible for preparation of the technical report entitled:

REVISED
TECHNICAL REPORT ON THE
DANIELS POND DEPOSIT
AND PROPERTY HOLDINGS
Of
ROYAL ROADS CORP.
RED INDIAN LAKE AREA, NEWFOUNDLAND,
CANADA

Latitude 56º54'N, Longitude 48º36'W
NTS 12A/10, 12A/11

Prepared for
Royal Roads Corp.

by

Peter C. Webster, B.Sc., P.Geo.,
P. James F. Barr, B.Sc.
Raphael Cavalcanti de Albuquerque, B.Sc.

Mercator Geological Services Limited
Effective Date April, 2008
Revised Date June 13, 2008

9) I visited the Tulks North property on several occasions between February 2007 and March 2008 in the company of Royal Roads Corp. staff and company consultants, at which time drill core was visually examined. I did not visit the Long Range nickel property. I have experience in the geology discussed in this report having completed work as a geologist on VMS and magmatic nickel projects within Central Newfoundland and northern Labrador over the span of my career.

10) I am not aware of any material fact or material change with respect to the subject matter of the Technical Report that is not reflected in the Technical Report, the omission to disclose which makes the Technical Report misleading.

11) I am independent of the issuer applying all of the tests in section 1.5 of National Instrument 43-101.

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

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

Dated this 13th Day of June, 2008.

[Original Signed and Sealed by]

_____
Signature of Qualified Person

Peter C. Webster, B.Sc., P.Geo.
President
Mercator Geological Services Limited

CONSENT of AUTHOR

TO: British Columbia Securities Commission
Alberta Securities Commission
Nova Scotia Securities Commission
Securities Commission of Newfoundland and Labrador

I, Peter Webster, B.Sc., P. Geo. do hereby consent to the filing, with the regulatory authorities referred to above, of the technical report titled

REVISED
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Prepared for
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by
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Effective Date April 29th, 2008
Revised Date June 13, 2008

dated April 29th, 2008, (the "Technical Report") and to the public filing of the written disclosure of the Technical Report and of extracts from or a summary of the Technical Report being filed.

I also certify that I have read the written disclosure being filed and I do not have any reason to believe that there are any misrepresentations in the information derived from the written disclosure of the Technical Report.

Dated this 13th Day of June, 2008

[Original Signed and Sealed by]

_____

Peter C. Webster, P.Geo.
President
Mercator Geological Services Limited

STATEMENT OF QUALIFICATIONS

P James F Barr

I, James Barr, B.Sc., do hereby certify that:

1. I currently reside in Musquodoboit Harbour, Nova Scotia Canada.

2. I am employed as a Project Geologist with Mercator Geological Services Limited, 65 Queen Street, Dartmouth, Nova Scotia, Canada, B2Y 1G4.

3. I graduated with an Honours Bachelor of Science degree (major in Environmental Science and minors in both Geology and Chemistry) from the University of Waterloo (2003) in Waterloo, Ontario.

4. I have been employed as a technical, field, and consulting geologist for various mineral exploration projects in Canada in the past 5 years.

5. I participated in the planning, management, and execution of the drilling projects described in the technical report titled:

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6. I participated in preparation of the Daniels Pond mineral resource estimate and three dimensional block model described in the aforementioned technical report. My participation as Project Geologist was supervised by Mr. Peter Webster, P. Geo.

7. This report is based on reviews of public and private technical reports, other relevant documents, and the author's knowledge and experience in working on base metal exploration in Newfoundland. I have visited the Daniels Pond Deposit property that is the subject of this Technical Report, on numerous occasions.

8. I have no personal interest, directly or indirectly, in the subject property or in the securities of Royal Roads Corp., or in close affiliates of the companies, nor do I expect to receive, directly or indirectly, any interest in such property or securities. I am independent of Royal Roads Corp. My compensation for this report is strictly on a professional fee basis.

Dated this 13th Day of June, 2008

[Original Signed by]

_____

Signature
P James F Barr
Project Geologist
Mercator Geological Services Limited

STATEMENT OF QUALIFICATIONS

Rafael Cavalcanti de Albuquerque

I, Rafael Cavalcanti de Albuquerque, B.Sc. (Geol.), do hereby certify that:

1. I currently reside in Halifax, Nova Scotia Canada and I am employed as a Geologist with Mercator Geological Services Limited, 65 Queen Street, Dartmouth, Nova Scotia, Canada, B2Y 1G4

2. I graduated with a Bachelor of Science (Geol.) degree from Acadia University in Wolfville, Nova Scotia, Canada in May 2007.

3. I have worked as a geologist in Canada for less than 1 year since graduation from university and have been employed by Mercator Geological Services Limited since May 2007.

4. I participated in preparation of the Daniels Pond mineral resource estimate and three dimensional block model described in the technical report named below. My participation was supervised by Mr. Peter Webster, P. Geo.

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by
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Effective Date April 29th, 2008
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5. I have not visited the property that is the subject of this Technical Report.

6. I have no prior involvement with the property that is the subject of the Technical Report.

7. This report is based on reviews of public and private technical reports, other relevant documents, and the author's knowledge and experience in working on base metal exploration in Newfoundland. I have not visited the Daniels Pond Deposit property that is the subject of this Technical Report.

8. I have no personal interest, directly or indirectly, in the subject property or in the securities of Royal Roads Corp., or in close affiliates of the companies, nor do I expect to receive, directly or indirectly, any interest in such property or securities. I am independent of Royal Roads Corp. My compensation for this report is strictly on a professional fee basis.

Dated this 13th Day of June, 2008

[Original Signed by]

_____

Signature

Rafael Cavalcanti de Albuquerque, B.Sc. (Geol.)
Project Geologist
Mercator Geological Services Limited

Please Note:

Appendices have not been included with this version of the report.

A complete copy of the report is available for viewing in the corporate office of

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