

FORM 2A

LISTING STATEMENT

This **Listing Statement must be used for all initial applications for listing** and for Issuers resulting from a fundamental change. CNSX requires prospectus level disclosure in the Listing Statement (other than certain financial disclosure and interim Management's Discussion and Analysis) and can require that the Issuer include additional disclosure.

General Instructions

- (a) Please prepare this Listing Statement using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the following items must be in narrative form. When the answer to any item is negative or not applicable to the Issuer, state it in a sentence. The title to each item must precede the answer.
- (b) The term "Issuer" includes the applicant Issuer and any of its subsidiaries.
- (c) In determining the degree of detail required, a standard of materiality should be applied. Materiality is a matter of judgment in a particular circumstance, and should generally be determined in relation to an item's significance to investors, analysts and other users of the information. An item of information, or an aggregate of items, is considered material if it is probable that its omission or misstatement would influence or change an investment decision with respect to the issuer's securities. In determining whether information is material, take into account both quantitative and qualitative factors. The potential significance of items should be considered individually rather than on a net basis, if the items have an offsetting effect. This concept of materiality is consistent with the financial reporting notion of materiality contained in the Handbook.
- (d) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation.
- (e) For Issuers that are re-qualifying for listing following a fundamental change, provide historic and current details on
 - (i) the Issuer
 - (ii) all other companies or businesses that are involved in the fundamenatal change (the "target"); and
 - (iii) the entity that will result from the fundamental change (the "New Issuer").

Information concerning the Issuer that was contained in the most recent Listing Statement may be incorporated by reference, but this statement must indicate if any of the information in the prior statement has changed (e.g. describing a business that will no longer be undertaken by the New Issuer). Information concerning assets or lines of business of the target that will not be part of the New Issuer's business should not be included.

- (f) This listing statement provides prospectus-level disclosure. It will be amended from time to time to reflect any changes to the prospectus disclosure requirements. If changed, the new form is to be used for the next listing statement the Issuer is required to file. The Issuer does not have to amend a listing statement currently on file to reflect any new disclosure requirements.

1. Table of Contents

1.1 Include a table of contents with the following headings:

1. Table of Contents
2. Corporate Structure
3. General Development of the Business
4. Narrative Description of the Business
5. Selected Consolidated Financial Information
6. Management's Discussion and Analysis
7. Market for Securities
8. Consolidated Capitalization
9. Options to Purchase Securities
10. Prior Sales
11. Escrowed Securities
12. Principal Shareholders
13. Directors and Officers
14. Capitalization
15. Executive Compensation
16. Indebtedness of Directors and Executive Officers
17. Risk Factors
18. Promoters
19. Legal Proceedings
20. Interest of Management and Others in Material Transactions
21. Auditors, Transfer Agents and Registrars
22. Material Contracts
23. Other Material Facts
24. Financial Statements

2. Corporate Structure

- 2.1 State the full corporate name of the Issuer or, if the Issuer is an unincorporated entity, the full name under which the entity exists and carries on business and the address(es) of the Issuer's head and registered office.

Cancor Mines Inc./ Mines Cancor Inc.
1410, rue Stanley, Suite 606
Montréal (Québec) H3A 1P8

- 2.2 State the statute under which the Issuer is incorporated or continued or organized or, if the Issuer is an unincorporated entity, the laws of the jurisdiction or foreign jurisdiction under which the Issuer is established and exists. If material, state whether the articles or other constituting or establishing documents of the Issuer have been amended and describe the substance of the material amendments.

Cancor Mines Inc. (the "Company" or "Cancor") was incorporated on October 5, 1989 under the name "Canchrome Mines Inc." under the *Canada Business Corporations Act*. By Certificate of Amendment dated November 3, 1995, the Company changed its name to "Cancor Mines Inc."

The Company is engaged in the exploration of mining properties in view of their commercial production. The Company owns varying interests in mining properties located in the Province of Quebec and in Algeria.

The registered office and principal place of business of the Company is located at 1410 Stanley Street, Suite 606, Montreal, Quebec, H3A 1P8.

The website address of the Company is <http://www.cancor.ca>.

- 2.3 Describe, by way of a diagram or otherwise, the intercorporate relationships among the Issuer and the Issuer's subsidiaries. For each subsidiary state

- (a) the percentage of votes attaching to all voting securities of the subsidiary represented by voting securities beneficially owned, or over which control or direction is exercised, by the Issuer;
- (b) the place of incorporation or continuance; and
- (c) the percentage of each class of restricted shares beneficially owned, or over which control or direction is exercised, by the Issuer.

See Schedule 2A-2.3.A

Société en commandite Exploration TCE (TCE Exploration, L.P.)
6956599 Canada inc. (General Partner of TCE Exploration, L.P.)
100 % owned by Cancor Mines Inc.

See Schedule 2A-2.3.B

Société en commandite Ressources Tirek (Tirek Resources, L.P.)
6956611 Canada inc. (General Partner of Tirek Resources, L.P.)
100 % owned by Cancor Mines Inc.

See Schedule 2A-2.3.C

Société en commandite Minéraux Tifraouine (Tifraouine Minerals, L.P.)

6956653 Canada inc. (General Partner of Tifraouine Minerals, L.P.)

100 % owned by Cancor Mines Inc.

- 2.4 If the issuer is requalifying following a fundamental change or is proposing an acquisition, amalgamation, merger, reorganization or arrangement, describe by way of diagram or otherwise these intercorporate relationships both before and after the completion of the proposed transaction.

This question is not applicable to the Issuer.

Instruction: A particular subsidiary may be omitted if

- (a) the total assets of the subsidiary do not constitute more than 10 per cent of the consolidated assets of the Issuer at the most recent financial year end;
- (b) the sales and operating revenues of the subsidiary do not exceed 10 per cent of the consolidated sales and operating revenues of the Issuer at the most recent financial year end; and
- (c) the conditions in paragraphs (a) and (b) would be satisfied if
 - (i) the subsidiaries that may be omitted under paragraphs (a) and (b) were considered in the aggregate, and
 - (ii) the reference to 10 per cent in those paragraphs was changed to 20 per cent.

- 2.5 Non-corporate Issuers and Issuers incorporated outside of Canada must describe how their governing legislation or constating documents differ materially from Canadian corporate legislation with respect to the corporate governance principles set out in Policy 4.

The question is not applicable to the Issuer.

3. General Development of the Business

- 3.1 Describe the general development of the Issuer's business over its three most recently completed financial years and any subsequent period. Include only major events or conditions that have influenced the general development of the Issuer's business. If the business consists of the production or distribution of more than one product or the rendering of more than one kind of service, describe the principal products or services. Also discuss changes in the business of the Issuer that are expected to occur during the current financial year of the Issuer.

Instruction: Include the business of subsidiaries only insofar as is necessary to explain the character and development of the business conducted by the combined enterprise.

The Company is a Canadian mining exploration company engaged in the exploration and development of gold and base metal properties. The principal properties of the Company in Canada are the Gemini-Turgeon, Kistabiche and Allard properties, all of which are located in the northwest of Quebec. The properties of the Company in Algeria are the In Ouzal North, Tan Chaffao West, Tan Chaffao East and Tirek North properties. These properties are all located in the south of Algeria.

Over the past decade the following major events have influenced the general development of the business of the Corporation:

- In August 1998, the exploration and drilling work undertaken by the Company on the Gemini property led to the discovery of an accumulation of Volcanogenic Massive Sulfides in zinc, copper, gold and silver. As a result of this discovery, the Company received the Prospector of the Year award in Quebec for the year 1998.
- At the beginning of the year 2000, after satisfying all of the conditions provided in an agreement with Inco Limited ("Inco"), the Company acquired a 50% interest in the Gemini property. In September 2001, the Company signed an amending agreement with Inco pursuant to which the Company increased its participation in the Gemini property from 50% to 75% in consideration of the issuance to Inco of 150,000 shares of the Company.
- Pursuant to an agreement dated April 1, 2002, amended as at October 19, 2005, the Company earned a 50% interest in the Kistabiche property (88 claims and one mining concession) by spending \$800,000. This property includes the mining concession Explo-Zinc which contains a massive sulfide deposit discovered in 1963.
- In July 2002, the Company entered into a purchase and sale agreement with Aur Resources Inc. ("Aur") pursuant to which the Company acquired the 49% interest held by Aur in the Turgeon property in consideration of the issuance of 100,000 common shares of the Company and a 2 % net smelter return royalty. As a result of this transaction, the Company became the owner of a 100% interest in the Turgeon property.
- In January 2003, the Company and Cambior Inc., now Iamgold Corporation ("Iamgold") signed a letter agreement pursuant to which the parties agreed to enter into an agreement granting Iamgold the option to acquire 50% of the interests of Cancor in the Gemini and Turgeon properties. Once Iamgold exercises its option, the interests of the companies in the Gemini property will be 37.5% Iamgold, 25% Inco and 37.5% Cancor. In the Turgeon property, the interests will be 50% Iamgold and 50% Cancor.
- In July 2003, the Company and Iamgold entered into an option and joint venture agreement in conformity with the letter agreement referred to above. The main terms of the agreement are:
 - Iamgold may exercise its option on Cancor's interest in the project by spending \$2,500,000 on exploration, and making cash payments to Cancor totaling \$100,000 (already received).
 - Iamgold exercised its option in December 2008.
 - Iamgold will be the operator;
- A joint venture has been created, and the terms of the joint venture include a dilution clause;
- If the interest of one of the parties is diluted to 15% or less, this interest will be automatically converted into a net smelter return royalty of 1%, half of which will be redeemable for \$500,000; Iamgold will manage the exploration work.
- Pursuant to an agreement dated November 8, 2004 between the Company and Aur, Cancor earned a 100% interest in the Bonfortel property, subject to a 2% net smelter return royalty. The Bonfortel property is comprised of 14 claims adjacent to Kistabiche claims. In consideration for the acquisition of a 100% interest in this property, the Company issued

100,000 shares with an ascribed value of \$0.32 per share and incurred a total of \$500,000 in exploration expenditures.

– In December 2006, the Company announced that measured and indicated mineral resources for the Explo-Zinc deposit on its Kistabiche property had been calculated in compliance with NI 43-101 at 587,961 tonnes grading 7.63% Zn and 0.35% Cu using a cutting factor of 3% Zn equivalent.

– In June 2007, the government of the République Algérienne Démocratique et Populaire granted Cancor an exclusive prospection permit for the Tan Chaffao West property. The permit is for a period of one year and is renewable for two 6-month periods.

– In July 2007, the government of the République Algérienne Démocratique et Populaire granted Cancor an exclusive exploration permit for the In Ouzzal North property. The permit is for a period of three years and is renewable for two 12-month periods.

– In May 2008, the government of the République Algérienne Démocratique et Populaire granted Tirek Resources LP., a wholly-owned subsidiary of Cancor, a prospecting permit for the Tirek North property. The permit is for one year and is renewable for two 6-month periods.

– In July 2008, the government of the République Algérienne Démocratique et Populaire granted TCE Exploration LP., a wholly-owned subsidiary of Cancor, an exclusive exploration permit for the Tan Chaffao East property. The permit is for a period of three years and is renewable for two 12-month periods.

3.2 Disclose:

- (1) (a) any significant acquisition completed by the Issuer or any significant probable acquisition proposed by the Issuer, for which financial statements would be required under Part 6 or 7 of OSC Rule 41-501 if this Listing Statement were a prospectus; and

The question is not applicable to the Issuer.

- (b) any significant disposition completed by the Issuer during the most recently completed financial year or the current financial year for which *pro forma* financial statements would be required under Part 8 of OSC Rule 41-501 if this Listing Statement were a prospectus.

The question is not applicable to the Issuer.

- (2) Under paragraph (1) include particulars of
- (a) the nature of the assets acquired or disposed of or to be acquired or disposed of;
- (b) the actual or proposed date of each significant acquisition or significant disposition;

- (c) the consideration, both monetary and non-monetary paid, or to be paid, to or by the Issuer;
- (d) any material obligations that must be complied with to keep any significant acquisition or significant disposition agreement in good standing;
- (e) the effect of the significant acquisition or significant disposition on the operating results and financial position of the Issuer;
- (f) any valuation opinion obtained within the last 12 months required under Canadian securities legislation or Canadian securities directives of a Canadian securities regulatory authority or a requirement of a Canadian stock exchange or other Canadian market to support the value of the consideration received or paid by the Issuer or any of its subsidiaries for the assets, including the name of the author, the date of the opinion, the assets to which the opinion relates and the value attributed to the assets; and
- (g) whether the transaction is with a Related Party of the Issuer and if so, disclose the identity of the other parties and the relationship of the other parties to the Issuer.

3.3 Discuss any trend, commitment, event or uncertainty that is both presently known to management and reasonably expected to have a material effect on the Issuer's business, financial condition or results of operations, providing forward-looking information based on the Issuer's expectations as of the date of the Listing Statement.

The question is not applicable to the Issuer.

Instruction: Issuers are encouraged, but not required, to supply other forward-looking information. Optional forward-looking disclosure involves anticipating a future trend or event or anticipating a less predictable effect of a known event, trend or uncertainty. This other forward-looking information is to be distinguished from presently known information that is reasonably expected to have a material effect on future operating results, such as known future increases in costs of labour or materials, which information is required to be disclosed.

4 Narrative Description of the Business

4.1 General

- (1) Describe the business of the Issuer with reference to the reportable operating segments as defined in the Handbook and the Issuer's business in general. Include the following for each reportable operating segment of the Issuer:

The question is not applicable to the Issuer.

- (a) State the business objectives that the Issuer expects to accomplish in the forthcoming 12-month period.
- (b) Describe each significant event or milestone that must occur for the business objectives in (a) to be accomplished and state the specific time period in which each event is expected to occur and the costs related to each event.

- (c) Disclose the total funds available to the Issuer and the following breakdown of those funds:
 - (i) the estimated consolidated working capital (deficiency) as of the most recent month end prior to filing the Listing Statement; and
 - (ii) the total other funds, and the sources of such funds, available to be used to achieve the objectives and milestones set out in paragraphs (a) and (b).
- (d) Describe in reasonable detail and, if appropriate, using tabular form, each of the principal purposes, with approximate amounts, for which the funds available described under the preceding paragraph will be used by the Issuer.

Instructions:

- (1) The description of the Issuer's business objectives should also provide the context for the description of the milestones which are required to be disclosed. For example, one business objective of an Issuer may be to commence marketing and licencing technology nationally through direct sales and a network of agents; a milestone may be to conduct four feasibility studies over the next ten months to facilitate marketing of the technology, with an anticipated cost of \$X for the studies.
- (2) For the purposes of paragraph (1)(b), examples of significant events would include the hiring of key personnel, making major capital acquisitions, obtaining necessary regulatory approvals, implementing marketing plans and strategies and commencing production and sales.

- (e) For principal products or services,
 - (i) the methods of their distribution and their principal markets;
 - (ii) as dollar amounts or as percentages, for each of the two most recently completed financial years, the revenues for each category of principal products or services that accounted for 15 per cent or more of total consolidated revenues for the applicable financial year derived from
 - (A) sales to customers, other than investees, outside the consolidated entity,
 - (B) sales or transfers to investees; and
 - (C) sales or transfers to controlling shareholders; and
 - (iii) if not fully developed, the stage of development of the principal products or services and, if the products are not at the commercial production stage,
 - (A) the timing and stage of research and development programs,
 - (B) the major components of the proposed programs, including an estimate of anticipated costs,
 - (C) whether the Issuer is conducting its own research and development, is subcontracting out the research and development or is using a combination of those methods, and

- (D) the additional steps required to reach commercial production and an estimate of costs and timing.
 - (f) Concerning production and sales
 - (i) the actual or proposed method of production of products and if the Issuer provides services, the actual or proposed method of providing services;
 - (ii) the payment terms, expiration dates and terms of any renewal options of any material leases or mortgages, whether they are in good standing and, if applicable, that the landlord or mortgagee is a Related Person of the Issuer;
 - (iii) specialized skill and knowledge requirements and the extent that the skill and knowledge are available to the Issuer;
 - (iv) the sources, pricing and availability of raw materials, component parts or finished products;
 - (v) the importance, duration and effect on the segment of identifiable intangible properties such as brand names, circulation lists, copyrights, franchises, licences, patents, software, subscription lists and trademarks;
 - (vi) the extent to which the business of the segment is cyclical or seasonal;
 - (vii) a description of any aspect of the Issuer's business that may be affected in the 12 months following the date of the Listing Statement by renegotiation or termination of contracts or sub-contracts and the likely effect;
 - (viii) the financial and operational effects of environmental protection requirements on the capital expenditures, earnings and competitive position of the Issuer in the current financial year and the expected effect, on future years;
 - (ix) the number of employees, as at the most recent financial year end or as an average over that year, whichever is more relevant; and
 - (x) any risks associated with foreign operations of the Issuer and any dependence of the segments upon the foreign operations.
 - (g) The competitive conditions in the principal markets and geographic areas in which the Issuer operates, including, if reasonably possible, an assessment of the Issuer's competitive position.
 - (h) With respect to lending operations of an Issuer's business, the investment policies and lending and investment restrictions.
 - (2) Disclose the nature and results of any bankruptcy, or any receivership or similar proceedings against the Issuer or any of its subsidiaries or any voluntary bankruptcy, receivership or similar proceedings by the Issuer or any of its subsidiaries, within the three most recently completed financial years or the current financial year.
 - (3) Disclose the nature and results of any material reorganization of the Issuer or any of its subsidiaries within the three most recently completed financial years or the current financial year.
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Instructions:

- (1) The Issuer's stated business objectives must not include any prospective financial information with respect to sales, whether expressed in terms of dollars or units, unless the information is derived from a financial forecast or financial projection prepared in accordance with National Policy Statement No. 48 or any successor instrument and is included in the Listing Statement.
- (2) Where sales performance is considered to be an important objective, it must be stated in general terms. For example, the Issuer may state that it anticipates generating sufficient cash flow from sales to pay its operating cost for a specified period.

4.2 For issuers with asset backed securities outstanding provide the disclosure required by items 6.2 and 10.3 of OSC Form 41-501F1 as if the securities were or were being distributed under a prospectus .

Instructions:

- (1) For the purposes of this item "asset backed security" has the same meaning as in item 6.2 of Form 41-501F1.

4.3 For Issuers with a mineral project, disclose the following information for each property material to the Issuer:

(1) Property Description and Location

- (a) The area (in hectares or other appropriate units) and location of the property.
- (b) The nature and extent of the Issuer's title to or interest in the property, including surface rights, obligations that must be met to retain the property and the expiration date of claims, licences and other property tenure rights.
- (c) The terms of any royalties, overrides, back-in rights, payments or other agreements and encumbrances to which the property is subject.
- (d) All environmental liabilities to which the property is subject.
- (e) The location of all known mineralized zones, mineral resources, mineral reserves and mine workings, existing tailings ponds, waste deposits and important natural features and improvements.
- (f) To the extent known, the permits that must be acquired to conduct the work proposed for the property and whether permits have been obtained.

(2) Accessibility, Climate, Local Resources, Infrastructure and Physiography

- (a) The means of access to the property.
- (b) The proximity of the property to a population centre and the nature of transport.
- (c) To the extent relevant to the mining project, the climate and length of the operating season.

- (d) The sufficiency of surface rights for mining operations, the availability and sources of power, water, mining personnel, potential tailings storage areas, potential waste disposal areas, heap leach pads areas and potential processing plant sites.
 - (e) The topography, elevation and vegetation.
- (3) History
 - (a) The prior ownership of the property and ownership changes and the type, amount, quantity and results of the exploration work undertaken by previous owners, and any previous production on the property, to the extent known.
 - (b) If a property was acquired within the three most recently completed financial years of the Issuer or during its current financial year from, or is intended to be acquired by the Issuer from, an insider or promoter of the Issuer or an associate or affiliate of an insider or promoter, the name and address of the vendor, the relationship of the vendor to the Issuer, and the consideration paid or intended to be paid to the vendor.
 - (c) To the extent known, the name of every person or company that has received or is expected to receive a greater than five per cent interest in the consideration received or to be received by the vendor referred to in subparagraph (b).
- (4) Geological Setting — The regional, local and property geology.
- (5) Exploration Information — The nature and extent of all exploration work conducted by, or on behalf of, the Issuer on the property, including
 - (a) the results of all surveys and investigations and the procedures and parameters relating to surveys and investigations;
 - (b) an interpretation of the exploration information;
 - (c) whether the surveys and investigations have been carried out by the Issuer or a contractor and if by a contractor, identifying the contractor; and
 - (d) a discussion of the reliability or uncertainty of the data obtained in the program.
- (6) Mineralization — The mineralization encountered on the property, the surrounding rock types and relevant geological controls, detailing length, width, depth and continuity together with a description of the type, character and distribution of the mineralization.
- (7) Drilling — The type and extent of drilling including the procedures followed and an interpretation of all results.
- (8) Sampling and Analysis — The sampling and assaying including
 - (a) a description of sampling methods and the location, number, type, nature, spacing and density of samples collected;
 - (b) identification of any drilling, sampling or recovery factors that could materially impact the accuracy or reliability of the results;

- (c) a discussion of sample quality and whether the samples are representative of any factors that may have resulted in sample biases;
 - (d) rock types, geological controls, widths of mineralized zones, cut-off grades and other parameters used to establish the sampling interval; and
 - (e) quality control measures and data verification procedures.
- (9) Security of Samples — The measures taken to ensure the validity and integrity of samples taken.
- (10) Mineral Resources and Mineral Reserves — The mineral resources and mineral reserves, if any, including
 - (a) the quantity and grade or quality of each category of mineral resources and mineral reserves;
 - (b) the key assumptions, parameters and methods used to estimate the mineral resources and mineral reserves; and
 - (c) the extent to which the estimate of mineral resources and mineral reserves may be materially affected by metallurgical, environmental, permitting, legal, title, taxation, socio-economic, marketing, political and other relevant issues.
- (11) Mining Operations — For development properties and production properties, the mining method, metallurgical process, production forecast, markets, contracts for sale of products, environmental conditions, taxes, mine life and expected payback period of capital.
- (12) Exploration and Development — A description of the Issuer's current and contemplated exploration or development activities, to the extent they are material.

Instructions:

- (1) Disclosure regarding mineral exploration development or production activities on material properties is required to comply with National Instrument 43-101, including the use of the appropriate terminology to describe mineral reserves and mineral resources.
- (2) Disclosure is required for each property material to the Issuer. Materiality is to be determined in the context of the Issuer's overall business and financial condition, taking into account quantitative and qualitative factors. A property will not generally be considered material to an Issuer if the book value of the property as reflected in the Issuer's most recently filed financial statements or the value of the consideration paid or to be paid (including exploration obligations) is less than 10 per cent of the book value of the total of the Issuer's mineral properties and related plant and equipment.
- (3) The information required under these items is required to be based upon a technical report or other information prepared by or under the supervision of a qualified person, as that term is defined in National Instrument 43-101.
- (4) In giving the information required under these items, include the nature of ownership interests, such as fee interests, leasehold interests, royalty interests and any other types and variations of ownership interests.

PROPERTIES OF THE COMPANY

Properties	Area (hectares)	Number of claims	Interest held	Mineralisation
Gemini	6,947	436	37,5 %	Cu Zn Au Ag
Turgeon	2,000	125	50 % ⁽¹⁾	Cu Zn Au Ag
Kistabiche	3,115	98 ⁽²⁾	72 %	Cu Zn Au Ag
Poirier	1,826	43	100 %	Cu Zn Au Ag
Bonfortel	389	14	100% ⁽¹⁾	Cu Zn Au Ag
Allard	1,216	76	51 %	Au Ag
In Ouzzal North	25,872	N/A	100 ⁽³⁾	Au
Tan Chaffao West	44,580	N/A	100 ⁽³⁾	Au Cu
Tan Chaffao East	20,000	N/A	100 ⁽³⁾	Au, Cu
Tirek North	98,990	N/A	100 ⁽³⁾	Au
Total	204,935	792		

⁽¹⁾ The Turgeon and Bonfortel properties are subject to a 2% net smelter return royalty.

⁽²⁾ The Kistabiche property also includes a mining concession, CM 525.

⁽³⁾ After a bankable feasibility study, Sonatrach (Algerian Oil Company) has the option to acquire a participating interest between 15% and 49%.

PRINCIPAL PROPERTIES OF THE COMPANY

Gemini-Turgeon Property (Filed with SEDAR in 2008)

The following information is extracted from the work reports prepared by Mr. Paul Girard dated May 2008 and by Mrs. Kathia Caron of Iamgold dated March 2006 and from verbal information obtained from geologists of Iamgold. Mr. Girard has verified all technical information disclosed herein with respect to the Gemini-Turgeon property.

The Gemini-Turgeon property results from the merging of two contiguous mining properties: the Gemini property and the Turgeon property. This merger followed Cancor's acquisition of the 49% interest in the Turgeon property that was held by Aur. Aur still holds a 2% royalty on the 125 claims that formerly made up this property. The Gemini property was purchased in 1997, following an agreement entered into with Inco, which retains 25% of the rights to these lands.

Location, access, and titles

The Gemini and Turgeon properties are located 80 kilometers north of the city of La Sarre in Abitibi (Figure 1). Access is via the road that links the Casa-Berardi mine to the regional road network. A number

of forest roads provide access to all sectors of these properties. These two properties overlap the townships of Laberge and Casa-Berardi. The Gemini property (to the south) consists of 436 claims covering an area of 6,947 hectares, while the Turgeon property (to the north) covers 2,000 hectares and includes 125 claims.

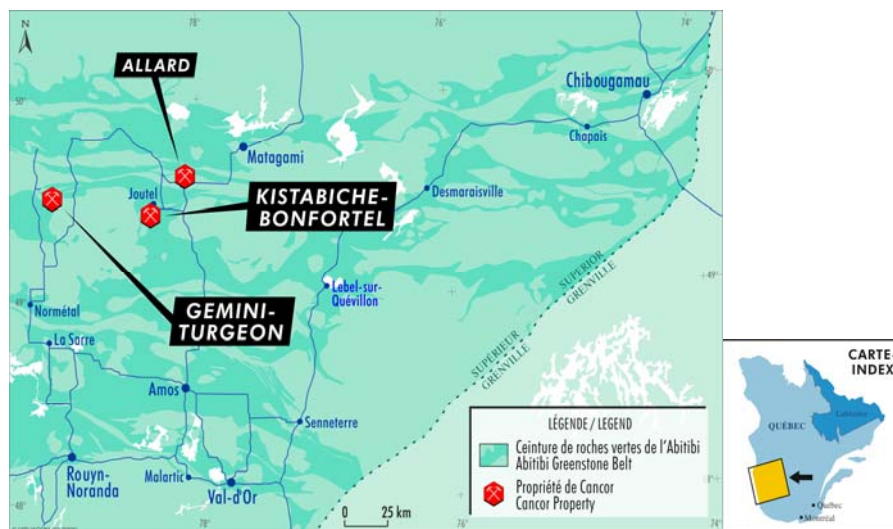


Figure 1: Location map of the Cancor's properties in Abitibi, Qc

An agreement signed by Cancor and Cambior Inc., now Iamgold, in 2003 allows the latter to acquire 50% of the interest held by Cancor in these projects by performing \$2.5 million in exploration work over the next 5 years. Iamgold completed in 2008 the balance of its exploration expenditures totalling \$2,500,000 which allowed Iamgold to exercise its option to acquire 50% of Cancor's interest in the property.

Previous work

Exploration work in this area has been carried out sporadically since 1967. Between 1967 and 2001, Hudson Bay, Canamax and Noranda Exploration have realized various exploration works, including ground and airborne magnetic and electromagnetic surveys, IP surveys and some diamond drill holes.

In 1991, following the discovery of erratic blocs of altered felsic volcanic rocks one of which containing high values in copper, zinc and silver, Inco staked the band of felsic rocks that constitutes the main part of the Gemini property and began systematic exploration work comprising airborne and ground magnetic and electromagnetic surveys, IP surveys, reverse circulation holes and 37 diamond drill holes totalling 12,529 meters. This work resulted in the discovery of two mineralized zones of volcanogenic massive sulphides (VSM) in felsic lavas and pyroclastites : the « A » zone in the northern part of the property, essentially auriferous, and the « B » zone in the southern part of the property, mainly zinciferous and cupriferous with anomalous values in silver and gold.

From 1996 to 2002, Cancor has done additional ground and airborne surveys, drilled 73 new holes and deepened 4 Inco's holes for a total of 32,830 meters on the Gemini property. The principal results of Cancor' work program are the discovery of a volcanogenic polymetallic massive sulphide body (the **Zn-rich massive sulphide body**) and the discovery of a zone rich in Cu, Ag and Au (the **99 Zone**) within the "B" zone.

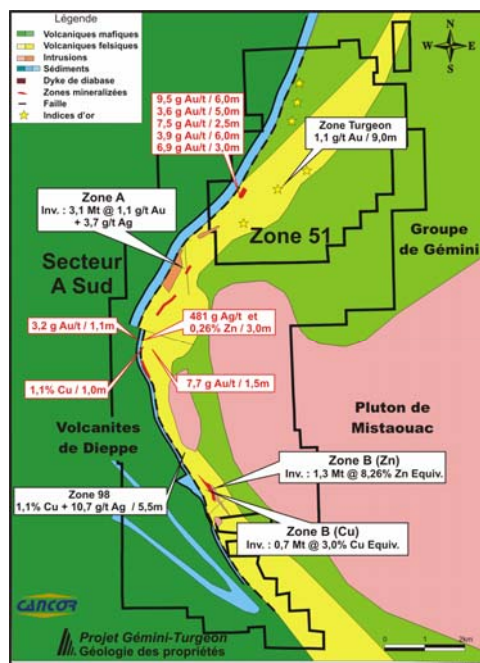
Extensive exploration work on the Turgeon property was done between 1983 and 1988 by Canamax Resources Inc. The work performed by Canamax comprised ground and airborne magnetic and electromagnetic geophysical surveys, IP surveys and 26 drill holes totalling 4,199 meters. Between 1994 and 2002, Cancor pursued exploration on the Turgeon property with ground geophysical surveys, an airborne Megatem survey and 25 holes totalling 5,093 meters. During the 2002 drilling campaign, a drill hole targeting a Megatem anomaly intersected a gold-bearing zone grading 9.5 g/t Au over a length of 6 meters (zone "51").

Since the acquisition by option of the two properties in 2003, Iamgold has performed extensive ground geophysical surveys (mainly magnetic and IP) on both properties including a magneto-telluric Titan-24 survey on the southern part of the Gemini property over lens B. In addition, they drilled 41 holes totalling 16,816 meters over the two properties.

Geology

The Gemini-Turgeon property is located in the Harricana-Turgeon volcano-sedimentary belt that occupies a portion of the Northern volcanic zone of the Abitibi Sub-province of the Superior Province (Figures 2 and 4). This belt contains a number of large base-metal mining districts, such as the Matagami, Joutel, Selbaie, and Casa-Berardi districts. The property is also located on the northwestern flank of the Mistaouac synvolcanic batholith to which are spatially associated several sulphide masses: Joutel to the east, Estrades to the north, and Gemini-Turgeon to the west. The batholith consists of tonalites and granodiorites. To the west of the Gemini-Turgeon property, there is the volcanic assemblage with tholeiitic affinity of the Dieppe Hills. Regionally, the Laberge deformation zone crosses the southern portion of the property (Pilote, 1989).

Figure 2: Geological map of the Gemini-Turgeon property



The principal lithological units of the property are essentially volcanic. They consist of a bimodal complex of mainly felsic rocks and mafic lavas, designated as the Gemini Group. These volcanites are overlain to the west by a turbiditic sedimentary sequence with an average thickness of 100 meters that belongs to the Dieppe Group. These sediments are a heterogeneous mixture of regularly graphitic black mudshales, siltstones, arenites and conglomerates. Occasionally surprisingly well preserved, they show numerous signs of normal polarity toward the west. The presence of fragments strangely angular and immature in the arenites suggests a volcanic source. Their lateral variations are quick, and it is not yet possible to follow a marker horizon. In some sectors, the units have intercalated iron formations.

The two predominant structural elements are the Gemini fault and the Laberge deformation zone. The Gemini thrust fault is characterized by high graphite content. The general orientation of the volcanic units of the Gemini Group is parallel to this fault. It mainly separates the volcano-sedimentary accumulation to the west from the volcanites of the Gemini Group to the east. This orientation that moulds the western margin of the Mistaouac batholith, passing gradually from the NNW in the portion south of Gemini to NNE at Turgeon, is probably linked to the emplacement of the batholith. A few felsic intrusive masses and dykes have been introduced through the volcanites of the Gemini Group. The dips are generally moderate, but locally, secondary phenomena have raised the units to a dip of approximately 70°. The Laberge regional deformation zone affects the units in the south portion of Gemini.

Mineralizations

Several horizons of exhalative massive sulphide mineralizations appear on the 16 km segment of the felsic volcanites covered by the Gemini-Turgeon property (Figure 2). These exhalative horizons show often anomalous sub-economic contents of Cu, Zn, Au, and Ag. Some contain important massive sulphide lenses. Some of these lenses have been intensively explored, including **zone B**, where there were more than 85 diamond holes drilled. These drill holes made it possible to define a copper zone, whose mineral inventory was determined at 0.7 million tons of 3% Cu¹, as well as a zinc zone with 1.3 million tons of 8.3% Zn equivalent¹.

Further north, the gold-bearing zones **A north** and **A south** correspond to massive sulphide lenses that contain low gold values; the mineral resources inventory is estimated at 3.1 million tons with 1.1 g Au/t¹

Other massive sulphide lenses with gold content occur on the Turgeon property. The best gold-bearing intersection to date (9.5 g/t Au over 6 meters) was found in a massive sulphide horizon located near a major fault (Zone 51) in association with a strong carbonatisation of the country rocks. Extensive drilling in this area made by Iamgold has shown that gold mineralization appears to be restricted to the intersection of the massive sulphides lenses with the fault.

A new polymetallic massive sulphides zone, Zone 130, has been discovered in the central part of the Gemini Property by hole 130 of Iamgold which intersected 3.0 meters grading 0.46% Zn, 2.02% Cu, 35.3 g/t Ag and 2.90 g/t Au in felsic volcanites. Although additional drilling has so far failed to find any substantial extension, the zone remains a prime target to be explored in further details. Nearby, a strong off-hole conductor has been detected in drillhole Ge-05-144 by borehole Pulse-EM survey indicating the presence of buried massive sulphides at a short distance from the hole.

All geological characteristics encountered on these properties show strong similarities with the deposits of the volcanogenic massive sulphide type (VMS).

¹

These estimates are historical in nature and are not compliant with National Instrument 43-101. Neither Cancor nor Iamgold has undertaken any independent investigation of these estimates and therefore these historical estimates should not be relied upon. However, the Company believes that these estimates provide a conceptual indication of the potential of the property and are relevant to ongoing exploration.

Sample preparation and analysis

Sampling and analytical procedures utilised by Cancor and Iamgold are standard procedures. Witnesses of each sample analysed are preserved.

Cancor's samples were analysed by ALS Chemex of Val d'Or while those of Iamgold were analysed by Technilab SGB Abitibi of Ste-Germaine de Bouleé, two laboratories known for the reliability of their results. Each sample was first analysed by conventional atomic absorption method using acid digestion on a weighted charge of 0.5 g for Cu, Zn, Pb and Ag and with extraction by fire assay on a weighted charge of 30 g for Au. Lower detection limits by these methods are 1 ppm for Cu, Zn and Pb, of 0,1 ppm for Ag and <5 ppb for Au. If the Cu, Zn and Pb grades are >20,000 ppm and if the Ag grade is >50 ppm, a new weighted charge of 0,25 g is analysed by atomic absorption method using four acid digestion. The result is then given in percentage with lower detection limit of 0.01% for each element. If the Au grade is >1,000 ppb, a new weighted portion of 30 g is then analysed by fire assay fusion with a lower detection limit of 0.03 g/t. If considered necessary by the geologist after comparison of results with the witness samples, pulps of high grade samples are sent into another well known laboratory and analysed using quantitative similar analytical methods. Pulps of all anomalous samples are then returned by the laboratory to the expeditor and stored in a safe place for further analysis if required.

Works completed in 2008(See attached Iamgold work report)

From January to April 2008 Iamgold completed a drilling program on the property. A complete work report submitted by Iamgold (the manager) is attached. The targets were mainly strong geophysical signatures. A total of 1827m of drilling was completed over 4 holes.

The 1st hole tested the footwall of Zone B (Au-Cu-Zn bearing sulphide zone). The felsic volcanic sequence (rhyolites, int. to felsic lapillis and tuf units) was intersected with significant amount of sulphides over approximately 150 m (Zone B horizon). Strong chloritization is locally observed. This hole ended in dykes and other intrusive rocks cutting the Mistouac granodiorite intrusion border. Alteration and several Qtz-tourmaline veins were observed. The hanging wall sequence to the Zone B horizon does not explain much of the chargeability and magneto-telluric anomalies obtained from the Titan-24 survey.

The 2nd hole was a deepening of an old hole from 319.5 m depth. This one also verified the Titan-24 anomaly in the central part of Zone B where a highly silicified stringer zone is observed (Au-Cu). It reached 444 m depth but was stopped in a major fault zone impossible to cross (South Fault). Mafic to intermediate volcanic rocks were intersected with a disseminated to semi-massive sulphide zone with Py and traces of Cpy (6 m width, strong silicification).

The 3rd hole (GE08-148) tested a wide pulse-EM off-hole anomaly located in the favorable stratigraphy north of Zone B. It first intersected the overlapping basalts of the Dieppe Group, then crossed the Gemini Fault and finally traversed the bi-modal mafic to felsic assemblage of the Gemini Formation. The volcanic sequence display often chloritization but is lacking of any significant amount of sulphides. The wide off-hole Pulse-EM anomaly identified in the shallower drill hole done in 2005 on the same section remains unexplained. A down-hole Pulse-EM was conducted in the hole but was unfortunately stopped in the Gemini Fault. It could not test the previously identified conductive zone and the possibility that this wide Pulse-EM could have been caused by the main Gemini Fault is retained.

The 4th and last hole (GE08-149) verified a wide (may be 2?) IP anomaly in the southern extensions of the Zone B mineralized horizon. It ended at 444 m depth. A 6-meters interval of highly silicified and brecciated zone with 10-20% Py and Po was intersected around 220 m depth. It was included and

followed by various units of intermediate tufs with blocks, of felsic lavas and some dykes. Disseminated and fracture filling sulphide mineralizations were observed in several places with local traces of Cpy and Sph. The hole terminated in a felsic intrusive rock most probably associated to the Mistaouac granodiorite intrusion.

The results are listed in the following table.

Hole #	Total depth (m)	Interval – depth (m)	Length (m)	Best results	Geological Context & Mineralization
GE08-147	597.4	147 to 152.5	5.5	0.247 g Au/t	10 to 15% diss. and thin bands of Py in intermediate volcanics
		160.7 to 161.2	0.5	0.153 g Au/t & 0.16% Zn	Cherty horizon with traces to 1% Pyrite and traces of Cpy
		189 to 194	5	0.089 g Au/t, 14.5 g Ag/t & 0.30% Cu	Felsic to intermediate tufs with 1-2% Py in fractures and up to 3% Cpy locally – Zone B horizon
		356.5 to 357	0.5	0.073 g Au/t, 1.89% Cu & 0.34% Zn	Qtz vein, 5cm width, with 8% Cpy and 5% Py in sheared basalt
# 877104 Ext. 2008	Ext of 122.9	336.5 to 342.5	6	No significant Au results, 0.07% Cu	Highly silicified andesite with up to 25% semi-massive Py with traces of Cpy
GE08-148	657	118.0 to 122.0	4	1.44 g Au/t	Qtz veinlets with diss Py (up to 5% in sericitized seds. or volcanics)
		132.0 to 142.0	10	0.89 g Au/t Incl: 2.6 g Au/t over 2 m	Qtz veinlets stockwerk with Tr to 2% Py in silicified and sericitized intermediate intrusive
GE08-149	450	292.0 to 293.0 / 1		0.24 g Au/ t	5% Py, Traces of Sp and Cpy
TOTAL	1,827.3				

Conclusions

Iamgold has recently identified several new targets that deserve to be tested by drilling.

Kistabiche Project (Filed with SEDAR in 2008)

The following information is extracted from the work reports of Messrs. Paul Girard and Michel Lacey dated 2005, 2006 and 2007. A recent drilling program was completed in 2008 and a complete work report is attached to this Form.

Property, location, access and titles

The Scodnard Option and the Kistabiche E-Z property collectively referred to herein as the Kistabiche Project, cover a significant portion of the Joutel Volcanic Complex, which is located east of the Mistaouac pluton in the Archean greenstone belt of the Abitibi Subprovince in Quebec (Figures 3 and 4).

The Kistabiche E-Z property consists of 84 mining claims and Mining Concession 525, located in ranges VIII, IX, and X of Poirier Township, and in range I of Joutel Township. It covers an area of 2,911.48 hectares.

The Scodnard Option abuts the Kistabiche E-Z property to the east and the south. It consists of 14 mining claims in range I of Joutel Township, and covers an area of 204 hectares. The Scodnard Option property is subject to a 1.5% royalty payable to Inmet Mining Corporation and to an additional 1.5% royalty payable to Messrs. Claude Chouinard and Joel Scodnick.

All of the mineral titles of the Kistabiche Project, including Mining Concession 525 (79.3 ha), are in good standing. There are no known environmental liabilities on the Kistabiche Project. The Kistabiche Project is easily accessible by paved and gravel roads from the former town of Joutel, which is located 135 kilometers north of the town of Amos.

Pursuant to the Explo-Zinc Agreement, Cancor was granted an option to acquire a 50% interest in the Kistabiche Project. On November 3, 2004, the Company exercised its option and acquired a 50% interest in the Kistabiche Project. Currently, both properties are managed under the terms of the Cancor-Explo-Zinc joint venture provided in the agreement as amended on October 2005 and Explo-Zinc was diluted as it elected not to participate in the 2006-2007 programs.

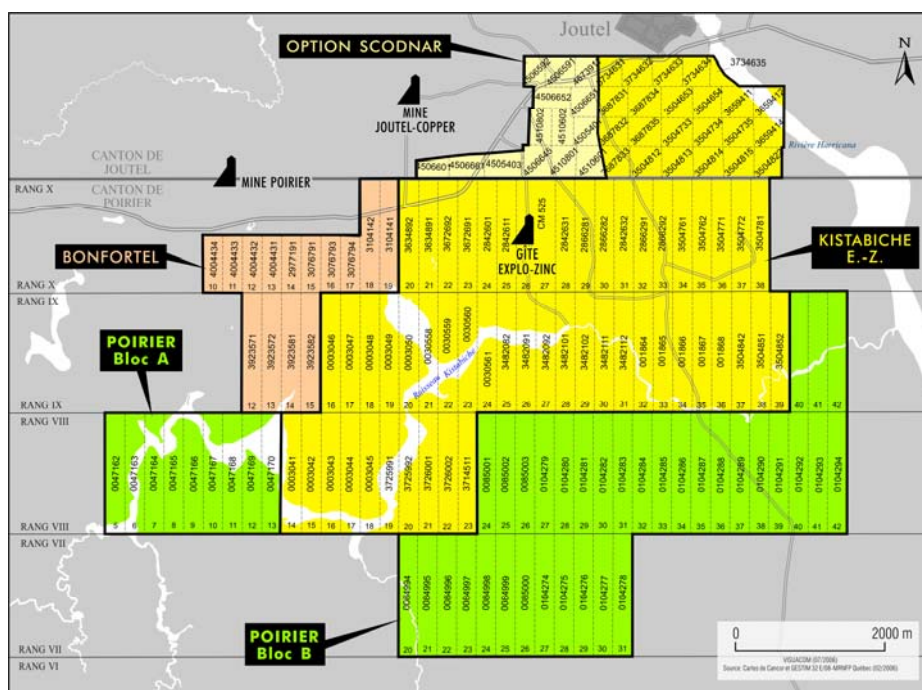


Figure 3: Claim map of the Kistabiche Project, Bonfortel and Poirier properties
Previous work

Exploration work has been carried out almost continuously since the late 1950s, when the Poirier Mines and Joutel Copper massive sulphide deposits were discovered a few kilometers to the west and northwest respectively. In 1963, Consolidated Northern Exploration Limited (CNE) acquired the property, and conducted drilling campaigns in the area of Mining Concession 525, which resulted in the discovery of several zinc-rich lenses of volcanogenic massive sulphides. CNE then sank a 389-metre shaft, excavated 1,630 meters of galleries on 3 levels (-90 m, -180 m, and -350 m), and drilled 195 holes totalling 23,369 meters starting from these galleries.

Between 1975 and 1979, Explo-Zinc Inc. dewatered the shaft and galleries and drilled underground and surface holes. Thereafter, the property was successively optioned by Vent D'Or Exploration Inc. (1987-1988), Noranda Explorations Ltd. (1991-1994), Cambior Inc. (1994-1995) and Soquem (1998-2001).

Work done by Cancor

Between 2001 and 2008, Cancor carried out detailed compilation work, conducted geophysical surveys (MEGATEM, IP/Resistivity, Pulse-EM DEEPEM, Pulse-EM In-Loop, InfiniTEM® and Titan-24), and drilled 27 holes totalling 15,224 meters with in-hole Pulse-EM and/or borehole InfiniTEM® surveys. Three holes were drilled on the Explo-Zinc deposit in order to prepare a representative sample for metallurgical tests and to obtain confirmation of grades for a new calculation of mineral resources. This new calculation was prepared by P. Girard, ing., in conformity with NI 43-101 requirements of public market regulatory authorities. Furthermore, SNC-Lavalin proceeded with a detailed economic evaluation of the deposit.

Geology

The predominantly felsic volcanic rock of the Joutel Volcanic Complex, on which the Kistabiche Project is located, belongs to the Poirier Member of the Joutel Formation of the Joutel-Raymond Group (Figures 4 and 5). The massive pillow mafic volcanites of the Vanier-Dalet-Poirier Group overlie it to the SE. It is intersected by gabbro masses, sills and dykes of variable dimensions, as well as by a Proterozoic diabase dyke that trends NE-SW.

Structurally, the felsic volcanites of the Poirier Member appear to be grouped around and within a caldera that measures 4 to 5 kilometers in diameter (Moreau 2005) and that is crossed by an orthogonal network of synvolcanic faults trending NE-SW and NW-SE. The polymetallic massive sulphide deposits belonging to Poirier Mines, Joutel Copper, and Explo-Zinc are all located on the rim of this caldera

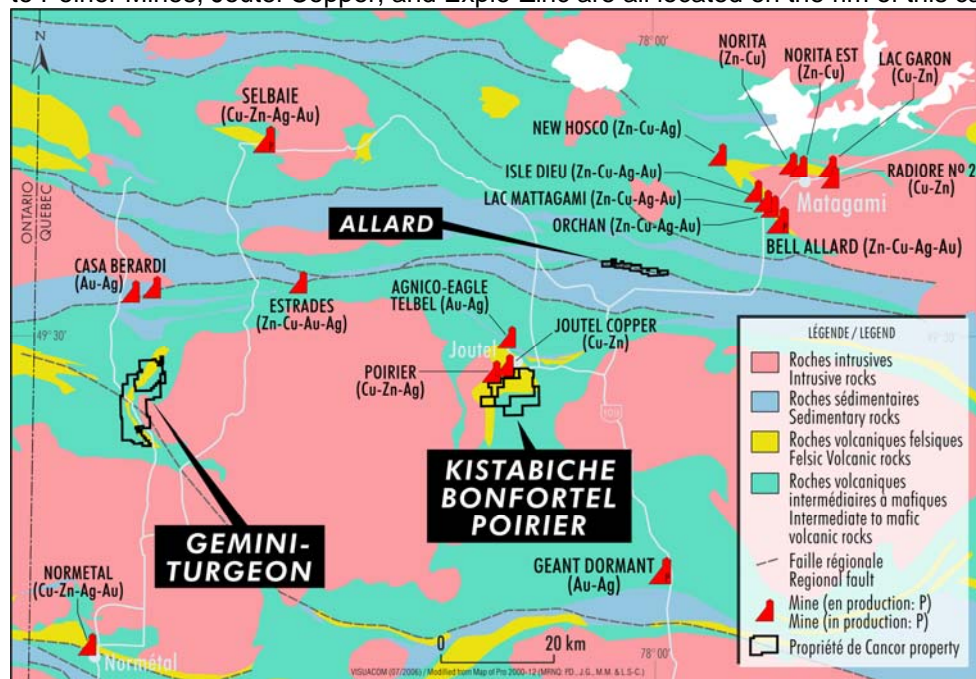
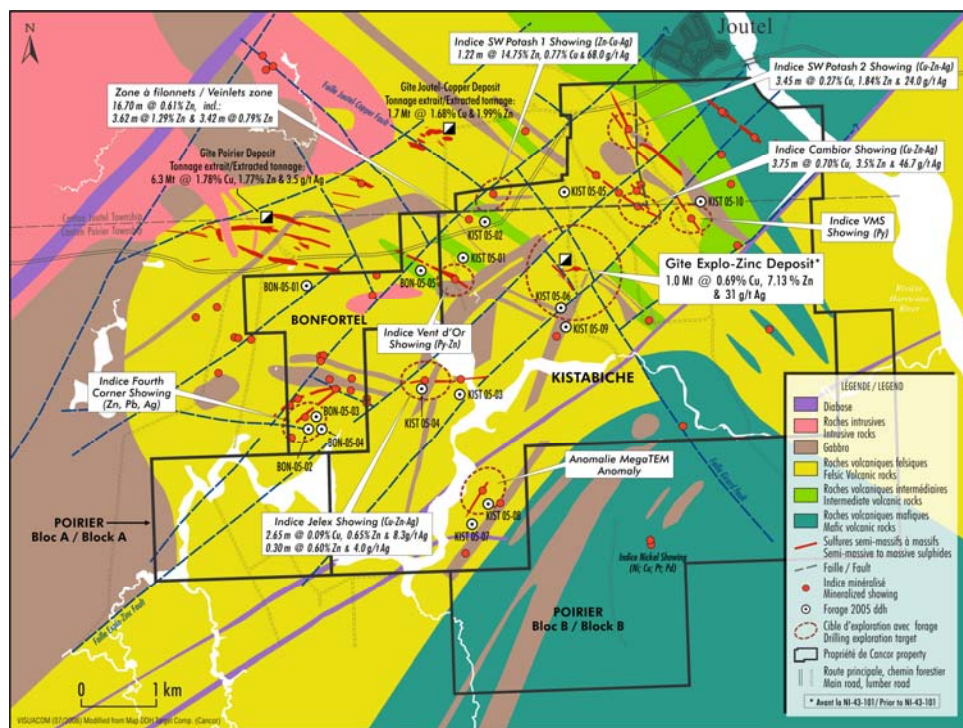


Figure 4: Abitibi regional geology



Principal results of Cancor's work

Almost each of the 27 holes drilled by Cancor intersected narrow chloritite horizons or zones, locally mineralized with sulphides. These chlorite-rich zones are interpreted as chimneys and/or channelways for the hydrothermal mineralizing fluids that generally accompany the emplacement of massive sulphide bodies.

Hole KIST-05-05 intersected a narrow zone of hydrothermal semi-massive pyrite anomalous in copper and zinc, immediately north of the Explo-Zinc deposit.

Hole KIST-06-16 confirmed the extension of the mineralized Jexlex zone toward the east and at depth, intersecting 2.30 meters running 0.62% Zn and 9.21 g/t Ag over 2.30 meters in chloritised rhyolitic rocks.

Similarly, strong chloritised felsic rocks were encountered in hole KIST-06-15 west of the regional fault N 40° E, in an area that could well be the extension of the Explo-Zinc deposit.

In addition, the recent Titan-24 survey on the western part of the property detected fourteen anomalous zones of which eleven are classified as high priority targets and proposed as potential areas for drill testing. According to Quantec who did the survey, these anomalies are "interpreted as representing potential sulphide mineralization and/or alteration zones at depth". Calculated depth range between 300 and 825 meters under surface.

Mineral resources and economic evaluation

The three short holes drilled through the principal massive sulphides bodies (Zones A1, B and B1) of the Explo-Zinc deposit have confirmed the grades and thicknesses of each tested ore zone; they have brought strong confidence in the historical geological and analytical data gathered by CNE and Explo-Zinc in the 1960's and 1970's and used by P. Girard for the new calculation of mineral resources according to the NI 43-101 requirements.

Measured and indicated mineral resources for the Explo-Zinc deposit have been calculated at 587,961 tonnes grading 7.63% Zn and 0.35% Cu using a cutting factor of 3% Zn equivalent. The resources are distributed in five different lenses located near the shaft and existing drifts on levels 90 and 180. In addition, inferred mineral resources of 273,485 tonnes grading 0.21% Cu and 6.64% Zn have been estimated.

At the projected long-term zinc price of US\$1.22 and based on current high contractor prices, the exploitation of these resources is presently not economical. In addition, no concentrator is presently available to treat the ore. However, if zinc future price improves and if a concentrator becomes available, the project will become much more attractive and should then be re-evaluated.

Sample preparation and analysis

Mr. Paul Girard, the author of the work report on the Kistabiche project dated December 2007, is of the opinion that the sampling, security, analysis and sample preparation procedures used by Cancor are adequate and in conformity with the standards of the mining industry.

Works completed in 2008 (See attached work report)

Cancor conducted a Titan-24 survey of its Kistabiche and Bonfortel properties. A total of 16 anomalies were identified by Quantec Geoscience of Toronto, which conducted the Titan-24 survey. Eleven of these anomalies have been "interpreted as representing potential massive or stringers or disseminated sulphide mineralizations and/or alteration zones at depth", and are considered to be high-priority targets. Two of these eleven anomalies were drilled during the fall of 2008.

The most interesting results from these two holes were the detection of two large "off-hole" type electromagnetic anomalies, one in each hole, the source of which has been interpreted as being located approximately sixty metres of the holes.

In addition to the "off-hole" anomalies detected in the 2008 drill holes, the nine other targets of the Titan-24 survey must be reviewed following the results of the first two holes and prioritized for an eventual follow-up drilling program.

Conclusions

So far, all studies that have been carried out to date on the Joutel felsic volcanic complex have not yet succeeded in finding a reference horizon that is suitable for use as an exploration tool. The most promising hypothesis is still that of a complex rhyolitic dome cut by an orthogonal network of synvolcanic faults. The massive sulphide mineralizations would then be associated with vents forming at the intersection of the synvolcanic faults. All of the chloritite horizons intersected by drill holes, regarded as chimneys and/or channelways for the hydrothermal mineralizing fluids, represent pathways to be followed in the search for new volcanogenic polymetallic massive sulphide deposits in this felsic volcanic pile that form the geological substratum of the Kistabiche and Option Scodnard properties.

So far, exploration work has mainly tested the first 300 meters below surface, excepted for a limited area in the surroundings of the Explo-Zinc deposit where research has been extended further down to close to 1,000 meters. The recent Titan-24 survey has indicated the presence of several conductive masses below the 300 meters depth warranting drill testing in the area west of the Explo-Zinc deposit.

Bonfortel Property

The following information is extracted from the work report prepared by Mr. Paul Girard dated December 2007. No substantial exploration work has been performed since.

Property, location, access and title

The Bonfortel property is located in the southwestern part of the Joutel Volcanic Complex, east of the Mistauac pluton in the Archean greenstone belt of the Abitibi Subprovince in Quebec (Figure 4).

The property consists of 14 claims and covers an area of 389 hectares. The claims comprise lots 12 to 15 of range IX, and the southern half of lots 10 to 17 and lots 18 and 19 of range X in Poirier township. The property is adjacent to the Joutel West property of SOQUEM to the north, and shares its western limit with the former property of Poirier Mines held by Globex, and to the east, it abuts the Kistabiche Project (Figure 3).

All the mineral titles of the Bonfortel property are in good standing. The Bonfortel property is easily accessible by paved and gravel roads from the former town of Joutel. There are no known environmental liabilities on the Bonfortel property.

On November 11, 2004, Cancor and Aur entered into the Bonfortel Agreement pursuant to which the Company was granted an option to acquire a 100% interest in the Bonfortel property, subject to a 2% net smelter return royalty under certain conditions. All conditions have been met and the property is currently owned 100% by Cancor, subject to the 2% royalty.

Previous work

Exploration work in the area of the Bonfortel property began in the early 1960s, following the discovery of the copper-zinc-silver polymetallic deposits of Poirier Mines and Joutel Copper. The Poirier deposit lies less than 500 meters north of the northwestern limit of the Bonfortel property, while the Joutel Copper deposit is less than one kilometer north of the northern boundary of the Bonfortel property.

Between 1960 and 1990, Rio Tinto, Leitch Gold Mines, Noranda, Kerr-Addison, Explo-Zinc, Jelex, Malartic Hygrade Gold Mines and Consolidated Bonanza Metals Corporation conducted ground magnetic, electromagnetic and IP-resistivity surveys and drilled 15 holes. In April 1991, Aur acquired the property from both Bonanza Exploration Ltd and Ressources Minières Forbex and carried out systematic exploration work comprised of line cutting, geological surveying and mechanized trenching as well as an IP/Resistivity survey, a ground magnetic survey, 25 drill holes totalling 7,218 meters followed by a "mise-à-la-masse" survey and borehole Pulse-EM surveys.

Geology

The Joutel volcanic Complex, on which the Bonfortel Property is located, belongs to the Joutel-Raymond Group, which was divided into two formations: the Valrennes Formation and the Joutel Formation. Based on geochemical and structural criteria, the Joutel Formation has been further subdivided into three members: the Poirier Member, the Kistabiche Member and the Eagle Member. The Bonfortel Property is almost entirely underlain with felsic rocks of the Poirier Member, except for a small area in its southeast

corner (Fourth Corner area) where occur massive and pillow andesites and basalts with minor sediments. These mafic volcanites probably belong to the Vanier-Dalet-Poirier Group that overlies the Joutel Group to the south. A major fault trending N40° E passes through the central part of the property.

Drilling by Aur on a strong arc-shaped conductive zone detected by the IP/Resistivity survey in the southern part of the property led to the discovery of three small mineralized zones. These zones were designated as the South, North, and East zones and the area enclosing them as the Fourth Corner area (Figure 5).

The South zone contains the highest zinc values. The zone strikes N42°E, with a dip of 60° to 80° toward the southeast. It is known over an approximate length of 900 meters and remains open at depth. The mineralization consists mainly of pyrite, with a fair amount of sphalerite, some chalcopryite and locally, a little galena. The best results were obtained in hole 16703-10, which gave 7.68% Zn, 0.77% Cu and 41.8 g/t Ag over 2.8 meters at 26.9 meters. Both the North and East zones were made up mainly of pyrite with minor sphalerite and chalcopryite.

Work performed by Cancor in 2005-2007

Since its acquisition, Cancor has covered the entire property with magnetic, gravimetric, InfiniTEM® and Titan-24 surveys along a grid of picket lines oriented N-S and drilled five new holes (BON-05-01 to BON-05-05) totalling 3,843 meters.

The InfiniTEM® survey detected two weakly conductive zones while sixteen gravimetric highs were interpreted from the gravimetric survey. The Titan-24 survey outlined two high priorities anomalies in the Fourth Corner area corresponding to the known mineralized zones and weak responses in the extension area of the South Poirier horizon.

Hole BON-05-01 and its wedge BON-05-01A were drilled on the southeastern extension of the South zone of the Poirier Mine. The volcanic felsic horizon hosting the Poirier South zone was intersected between 906.6 meters and 1,187.8 meters. Up to 15% disseminated pyrite with subordinate minor amounts of sphalerite and chalcopryite are present in several metric intervals. The best results were 2.36% Zn, 0.11% Cu and 1.3 g/t Ag over 1.42 meter at a depth of 1,126.4 meters along the core. The horizon extends to the Southeast.

The three holes drilled to test the extension of the South zone in the Fourth Corner area intersected the mineralized zone at the contact of felsic volcanites with sediments and mafic volcanites, but results were weak. The best result was obtained in hole BON-05-03 that cut 1.14% Zn and 2.7 g/t Ag over 6.0 meters at a depth of 346 meters along the core.

Conclusions

The geological environment of the Bonfortel property is strongly favourable for finding volcanogenic massive sulphide bodies as evidenced by the discovery of the zinc-rich massive sulphide zones in the Fourth Corner area and the mineralized intersection of the horizon host of the South zone of the Poirier Mine by hole BON-05-01.

The massive sulphides with high-grade Zn content of the South zone are accompanied by strong chloritic alteration in a felsic/mafic environment that is characteristic of the end of a felsic cycle and constitutes an highly favourable environment for emplacement of volcanogenic massive sulphide bodies; this South zone extends to the south on the claims of the Poirier property of Cancor. The favourable Poirier South zone extends to the southeast over a strike-length of more than 700 meters commencing at a depth of

more than -300 meters along the northwest border of the claims as indicated by a weak anomaly (anomaly T- 5) of the recent Titan-24 survey.

Poirier Property

The following information is extracted from the work report prepared by Mr. Paul Girard dated December 2007.

The property consists of 43 claims in two separate blocks (block A and block B) in ranges VII, VIII, and IX of Poirier Township in the Joutel area, 135 kilometers north of the city of Amos, in the Abitibi region of Quebec (Figure 3). The property is easily accessible. It covers an area of 1,826 hectares. It is wholly owned by Cancor. All of the mineral titles are in good standing. There are no known environmental liabilities on the Poirier property.

The property is adjacent to Cancor's Bonfortel and Kistabiche properties, at the edge of the Joutel felsic Complex. It is partially covered by felsic volcanites of the Poirier Member of the Joutel Formation of the Joutel-Raymond Group, and mafic volcanic rocks of the Vanier-Dalet-Poirier Group. All these geological formations are cut by multiple gabbro dykes and by a diabase dyke (Figure 5).

This whole property has been the subject of very little exploration work so far, except for a small area surrounding a copper showing in lot 30 (range VIII) where few holes have been drilled in the 1960's and in the 1970's.

The host rocks of the South zone of the Fourth Corner area of the Bonfortel property extend into the NW corner of block A. This South zone is a small lens of massive sulphides with pyrite, sphalerite, and chalcopyrite in felsic tuffs at the contact with sediments and andesitic volcanites that probably belong to the Vanier-Dalet-Poirier Group. The contact felsic tuffs/sediments and andesitic volcanites continues toward the SW with a dip of 45° to 50° toward the SE. Recent drilling completed by Cancor on the Bonfortel property near the northern edge of the Poirier property have cut disseminated sulphide mineralizations with low zinc values. A recent InfiniTEM® survey over the NE quarter of block A has a detected two low-intensity anomalies.

No extensive exploration work has been recently carried out on claims in block B, most of which is covered by the mafic volcanites and gabbro sills and/or dykes of the Vanier-Dalet-Poirier Group. The Payrock showing, which is a zone of felsic rocks mineralized with pyrite, pyrrhotine, sphalerite, and chalcopyrite, should extend into the NW corner of the range VII claims. The Payrock zone responds to induced polarization coinciding with high intensity Megatem anomalies; it strikes N 40° E with a dip of 60°-70° toward the SE. In the early 1960s, a small pyrite-pyrrhotine-chalcopyrite copper showing was discovered in the southern portion of lot 30 in range VIII; this showing consists of disseminated sulphides in mafic volcanites at the contact with a gabbro sill or dyke. The drilling that has been carried out since then has confirmed the presence of low-level chalcopyrite mineralization in an environment dominated by mafic volcanites.

A mineralized boulder of massive sulphides assaying 0.62% Ni, 0.31% Cu, 2.60 g/t Pt et 4.25 g/t Pd were reported on Aur's compilation map at about 200 meters south of the Copper showing of lot 30. An exploration survey completed in 2007 has detected the massive sulphide boulder and reported similar values confirming it.

Allard Property

The following information is extracted from the evaluation report prepared by Mr. Paul Girard dated December 2007. No exploration works has been performed since.

The Allard property is located in the southeastern sector of Desmazures township, approximately 42 kilometers southeast of Matagami in the Abitibi region of Quebec. The property can be reached by the old Selbaie Mine road, which crosses the Amos-Matagami route near the kilometer 171 intersection. Five kilometers north of the old Selbaie Mine road, a north-south winter drilling road provides access to the western edge of the property at 4.9 kilometers (Figures 1 and 6).

The property consists of 76 contiguous claims, and covers an area of approximately 1,216 hectares. The property is currently the subject of a joint venture under the terms of which Cancor and Aur own 51% and 49% respectively. As Aur has not agreed to participate in the recent geophysical surveys, the Cancor's interest will be increased accordingly. All of the mineral titles are in good standing. There are no known environmental liabilities on Allard property.

The Allard property is located inside the Harricana-Turgeon belt, south of the Casa-Berardi fault, a major regional geological feature which known gold mineralization and deposits are associated with (Figure 4). It covers a narrow band of clastic sedimentary rocks belonging to the Taïbi Group. This assemblage of sedimentary rocks is oriented in an east to west direction with an abrupt dip toward the north. It is squeezed between mafic volcanic lavas to the north and an assemblage of mafic pyroclastic and volcanic rocks with graphitic horizon to the south. An iron formation occurs at its northern limit with the mafic volcanic rocks.

Since 1959, after aerial and ground geophysical surveys, some 76 reverse circulation drill holes and 37 diamond drill holes were completed on the property for a total of 6,900 meters.

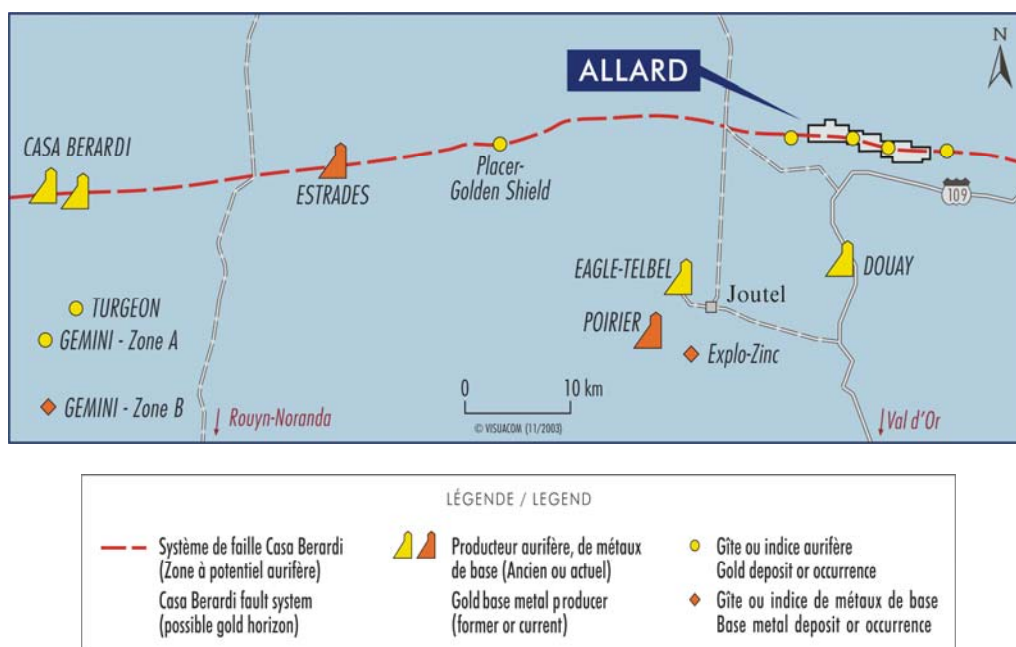


Figure 6: Allard property - Location

High gold concentrations were found at two locations, zone “A” and zone “C”, within an altered shear zone that is rich in quartz and weakly mineralized in sulphides. This 10- to 15-meter thick shear zone is

located midway between the iron formation and a graphitic zone. It extends for more than 8.5 kilometers on the property and extends toward the southeast of the neighbouring property, where an intersection of 4.1 meters at 3.6 g/t Au is reported only at 400 meters from the eastern edge of the property.

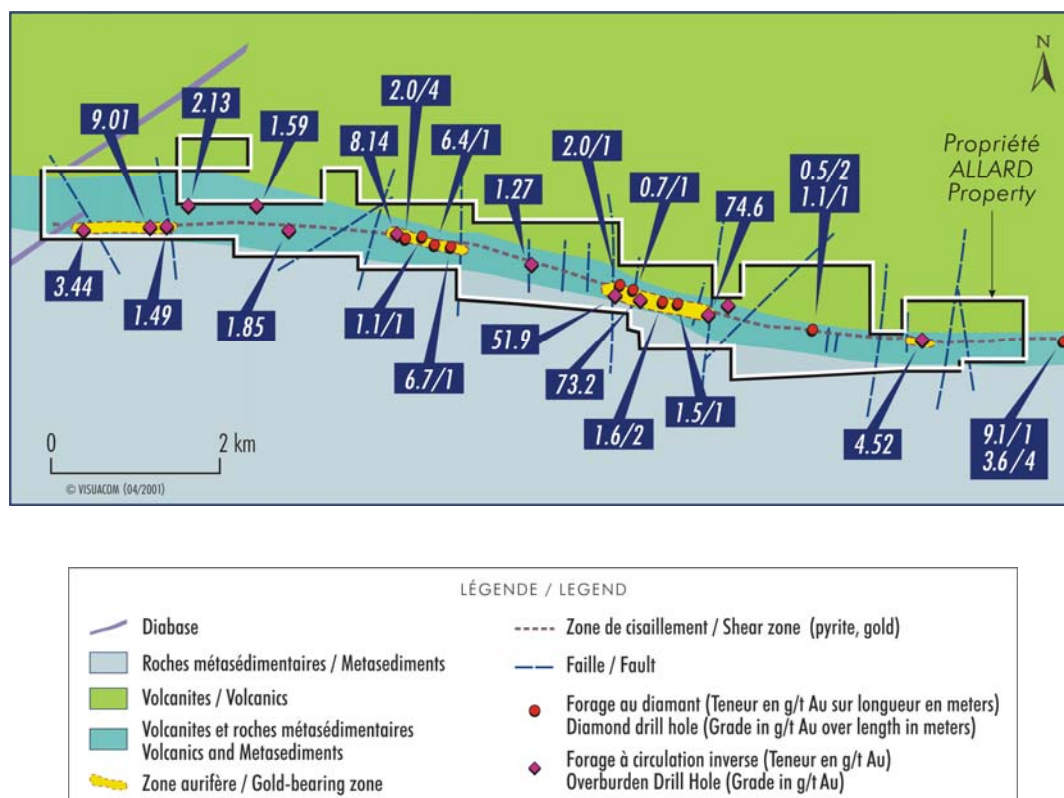


Figure 7: Allard property - Geology

Zone “C” extends for more than 1,200 meters in the central portion of the property. The two best drill holes yielded 2.0 g/t Au over 4.0 meters and 6.69 g/t Au over 1.0 meter.

Located approximately 2.5 kilometers to the east, zone “A” extends for 1,400 meters. The two best drill holes yielded 1.53 g/t Au over 2.0 meters and 1.08 g/t Au over 2.0 meter.

The geological environment and the nature of the gold mineralization on the Allard property show similarities with the Casa-Berardi Gold Mine of Aurizon Mines Ltd., which is located further west.

PROPERTIES IN HOGGAR, ALGERIA

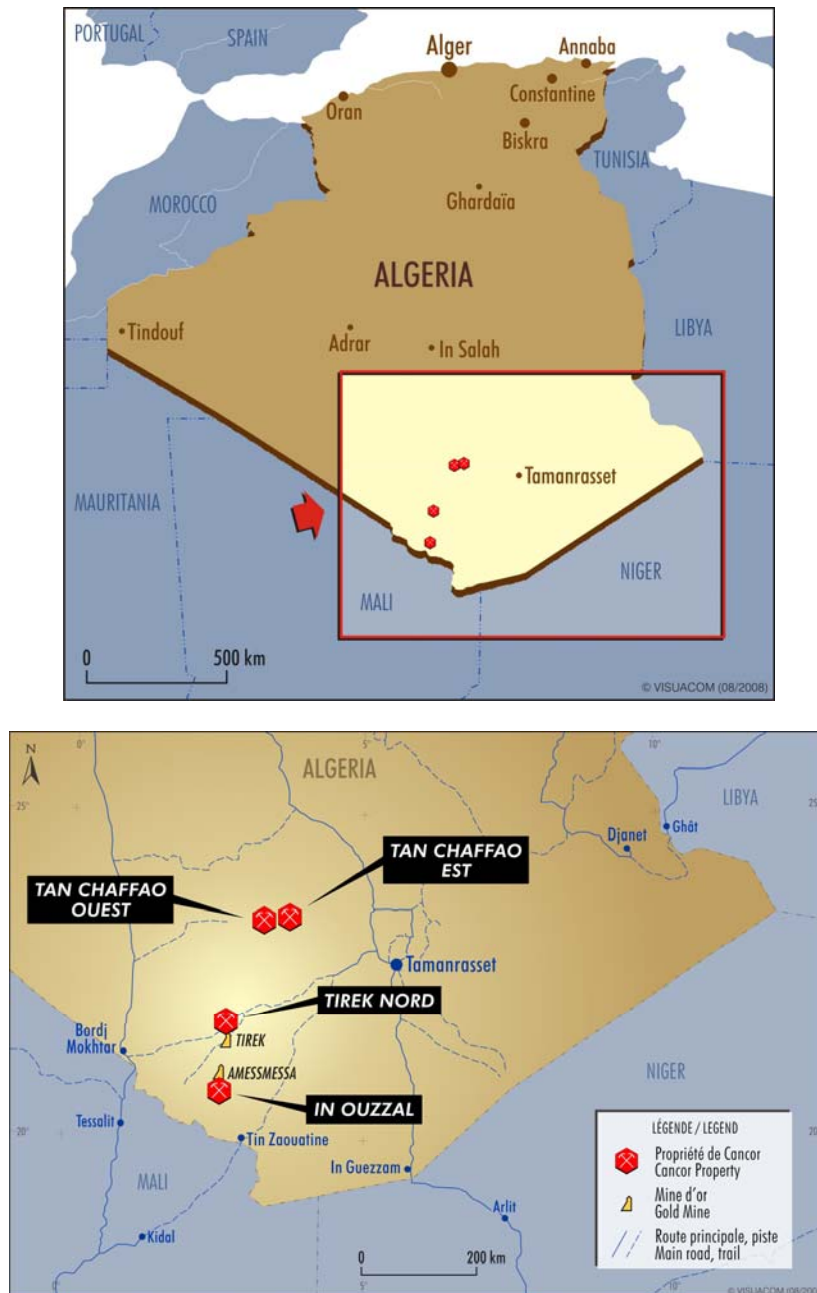


Figure 8: Map of Algeria showing location of Cancor's permits

Tan Chaffao West Project (Filed with SEDAR)

The following information is extracted from a geological report (the "Tan Chaffao West Report") prepared by Mr. Michel Lacey dated April 23, 2008, a copy of which is available on the SEDAR website at www.sedar.com.

In June 2007, the government of the République Algérienne Démocratique et Populaire granted Cancor with the Tan Chaffao West mining prospection permit under exclusive right title for a period of one year. The permit is renewable for two 6-month periods.

The Tan Chaffao West permit is located at 220 km NW of the town of Tamanrasset, at about 2,000 km south of the town of Alger, within the Hoggar geological crystalline belt in the Sahara desert (Figure 8). The permit covers an area of 44,580 hectares and is readily accessible with 4-4 vehicles in all seasons.

Geologically, the permit lies on the western flank of the In Rabir syncline. The In Rabir syncline is a 20-km long structure that is northsoutherly oriented and occupied by an assemblage of volcano-sedimentary rocks. The polymetallic deposit of Tan Chaffao East that contains 6,600,000 tonnes of mineral inventory grading 0.55% Cu, 1.65% Zn and 1.62 g/t Au² is located on the eastern flank of the In Rabir syncline within similar formations at 45 km to the SE-.

At Tan Chaffao East, the mineralization is associated with disseminations and veinlets of sulphides (pyrite, chalcopyrite and galena) in altered silicified volcanites that are crossed by a network of quartz and barite veinlets locally containing visible gold.

Exploration work done during the period from 1970 to 1974 by Russian teams for the Sonarem, an agency of the Algerian government, has led to the discovery of five silicified and mineralized zones (Zones 1 to 5) outcropping within an area that is now entirely covered by the Tan Chaffao West permit. Each mineralized zone has then been mapped, trenched and sampled. Geophysical surveys (magnetic, gravimetric and electrical) were also run as well as three short diamond holes drilled over three of the zones. The length of each zone varies between 200 and 400 meters with a maximum width of 50 meters. The zones form two separate lineaments extending for more than 10 km (Figure 9).

The best results for base metals were reported in trench 12 in Zone 1 which has assayed up to 7.60% Zn over 3.20 meters and 2.30% Cu over 1.50 meter with an average of 1.98% Zn, 0.38 % Cu and 0.23% Pb

on 25.3 meters and in Trench 16 in Zone 3 which has assayed 2.92% Zn, 0.23% Cu and 0.75% Pb over a length of 8.6 meters. Visible gold in quartz-barite veins and veinlets are also reported mainly in Zone 2 and in its northern extension, Zone 2N, and also in Zone 3. The best results for gold were obtained in Zone 2 where two chip samples of a length of 2.0 meters in Trench 1 have given 2.80 and 4.60 g/t Au respectively and where one chip sample in Trench 25 has given 3.60 g/t Au over 1.70 meter. Gold is also present in Trench 18 in Zone 3 where assays have averaged 2.15 g/t Au over 8.1 meters with a maximum of 4.60 g/t Au over 1.70 meter.

² This estimate is historical in nature and is not compliant with NI 43-101. Cancor has not undertaken any independent investigation of this estimate and therefore this historical estimate should not be relied upon. However, the Company believes that this estimate provides a conceptual indication of the potential of the property and is relevant to ongoing exploration.

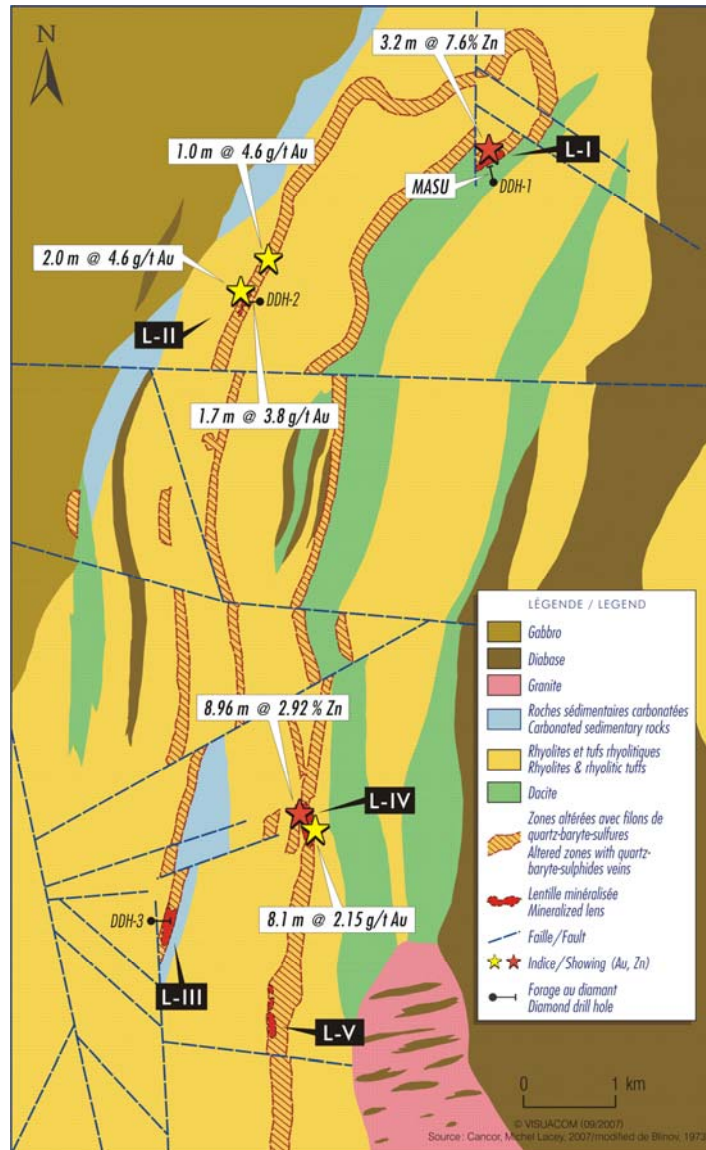


Figure 9: Geological schematic map of the Tan Chaffao West permit

Only one drill hole, the hole under the base metal mineralized zone of Trench 12 in Zone 2, has reached the target. Assay results were weak. Russian geologists also reported geophysical anomalies (electrical and gravimetric) in walls of zones 1, 2 and 5 and anomalous massive sulphides (mainly pyrite) in one hole.

In zones having high potential (mineralized zones), the Russian team used a discontinuous channel sampling methodology. This sampling methodology is not used in the industry. The results thereof should not be relied upon, just as with the selective grab sampling. As no additional information is available with respect to the security procedure of the samples taken during the exploration program carried by the Russian team in the 1970s, the author of the Tan Chaffao West Report is not in a position to give his opinion on this matter or on the analysis methods which the Russians used because these methods are not used by laboratories which are currently recognized.

Cancor's geologist visited the permit in October 2008. Old trenches and drill cores were found. Short portions of the old trenches where high assays have been previously reported were cleaned and sampled. At first glance, the geological environment appears to be dominated by mafic volcanites and/or intrusive rocks and metasediments. The mineralization is weak and seems to be associated with veins of quartz-barite surrounded by a silification aureole; it consists mainly of malachite and magnetite with locally some limonite. A total of 16 samples, grab and chip, were collected, mainly on old trenches in Zone 2 and in Zone 2N. Two of the four samples on Trench 1 on Zone 2 have assayed 5.91 g/t Au over 2.0 meters and 6.94 g/t Au over 1.60 meter. In Trench 25 on Zone 2N, two of the 4 samples taken have assayed 2.45 g/t Au over 1.10 meter and 78.40 g/t Au over 0.60 meter.

Works completed in 2008 (See attached work report)

The geological and geochemical work that was carried out by Cancor in 2007-2008 has confirmed the results obtained for the mineralized zones that were discovered in the early 1970s by Russian geologists and SONAREM. These zones, which cover several kilometres, are located in highly altered rhyolitic rocks and associated with north-south faults; contain malachite, pyrite, chalcopyrite, sphalerite, galena, and gold in addition to pyrrhotine, barytine, and magnetite.

The following indicates some of the best results reported by the Russian teams and obtained during recent Cancor work:

- 7.60% Zn over 3.20 metres and 2.30% Cu over 1.50 metres in Trench 12 on Lens I;
- 4.60 g/t Au over 2.00 metres in Trench 1 on Lens II;
- 78.40 g/t Au over 0.60 metre in Trench 25 on Zone 2N; and
- 5.2 g/t and 9 g/t Au respectively from two grab samples.

Conclusions

The next exploration programme will include drilling of the best targets. The potential to find a polymetallic deposit similar to the Tan Chaffao East deposit is excellent.

Recommendations

A work program in two phases is recommended. In view of the weather conditions, the best period to complete the program is between the months of October and April. During this phase of prospection, the following work is recommended:

Phase

- Line cutting of a grid with an east west orientation totaling two hundred and sixty eight (268) linear km with lines spaced at 100 m and stations at 25 m covering the sector of zones 1, 2 and 2N. It is necessary to tie the grid system to the system of coordinates UTM WGS84 which will constitute
- the base system of the project.
- Magnetic and electromagnetic geophysical surveys of the whole new grid in order to facilitate the structural interpretation of the area covered by the reg.
- A detailed geological mapping of the grid to a scale of 1: 1,000 or 1: 2,000 with the exact location of the zones exposed and of all the previous work (trenches, drill holes...)

- the clean up of the old trenches and, if applicable, the excavation of new trenches between the existing ones or on all newly discovered mineralized zones followed by a systematic channel sampling of the veins and of the walls. If necessary, excavating trenches along the strike of the veins in order to better define their geometry.

Phase II

During the second phase of the prospection, it is recommended:

- To carry 1,000 m of diamond drilling of NQ diameter on the best targets identified with the use of a core tracking device.
- Complete a detailed geological survey of the new showings with, if necessary, excavation of trenches and systematic sampling.

In Ouzzal North Project (Filed with SEDAR)

The following information is extracted from a geological report (the "In Ouzzal North Report") prepared by Mr. Michel Lacey dated April 21, 2008, a copy of which is available on the SEDAR website at www.sedar.com.

In June 2007, the government of the République Algérienne Démocratique et Populaire granted Cancor the In Ouzzal North mining exploration permit under exclusive right title for a period of three years; the permit is renewable for two 12-month periods.

The In Ouzzal North permit is located at 380 km SW of the town of Tamanrasset, at about 2,000 km south of the town of Alger, within the Hoggar geological crystalline belt in the Sahara desert (Figure 8). The In Ouzzal North permit covers an area of 25,872 hectares and is readily accessible with 4-4 vehicles in all seasons.

Geologically, the permit lies on the south extension of the east In Ouzzal shear zone that encloses both the Tirek and Amesmessa gold deposits which are respectively located at 67 km and 15 km north of the permit boundary (Figure 10). According to the GMA website (www.gmaresources.plc.uk) the Tirek deposit contains measured and indicated resources of 404,000 tonnes grading 16.96 g/t Au and inferred resources of 225,000 tonnes grading 16.40 g/t Au and the Amesmessa deposit which is currently put into production contains measured and indicated resources of 1,043,000 tonnes grading 12.05 g/t Au and inferred resources of 810,000 tonnes at 8.0 g/t Au³. The gold, often native, is associated with decimetric to metric quartz veins in mylonitic rocks mineralized with minor sulphides (pyrite, galena and chalcopyrite).

³ Mr. Michel Lacey, the author of the In Ouzzal North Report, was unable to verify this information, which information is not necessarily indicative of the mineralization on the In Ouzzal North property.

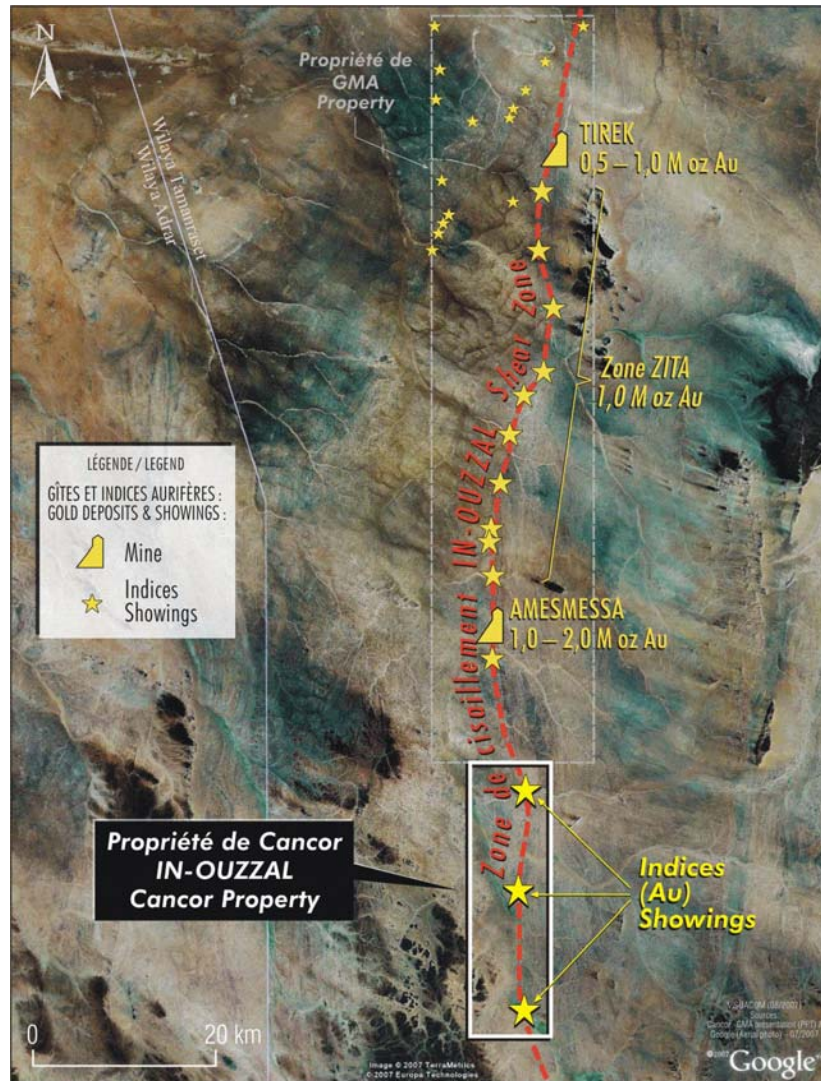


Figure 10: Satellite image showing the gold mineral deposits and showings in the In Ouzzal area

Exploration work done during the period from 1970 to 1992 by Russian teams for the Algerian government has led to the discovery of narrow quartz veins mineralized with gold in sheared mylonitic rocks in at least three localities - Tachamek, Zone B and Point 33 - within the permit area.

The Tachamek showing has been trenched and sampled in 1992. Bennouth and al. then reported 29.20 g/t Au over 0.40 meter, 86.70 g/t Au over 0.80 meter and 143.10 g/t Au over 0.20 meter in quartz veins mineralized with minor pyrite, galena and some visible gold. Four of the seven grab samples taken in this locality during the last October visit by Cancor's geologist have assayed 128.50 g/t Au, 410.00 g/t Au, 40.80 g/t Au and 39.70 g/t Au. Visible gold was seen in one sample.

The author of the In Ouzzal North project cannot give his opinion on the procedure to collect samples or on the security of the samples used in the exploration programs carried in the 1990s, nor on the analysis methods used at such time. As for the analysis and sample collection procedures used by Cancor in

2007, they are in conformity with the standards of the mining industry.

The potential to find a vein-type gold deposit similar to the Amesmessa and Tirek deposits is excellent.

Works completed in 2008 (See attached work report)

The geological and geochemical work that was carried out by Cancor in 2007-2008 has confirmed the geological environment and the grades reported by the Russian and Algerian teams of the SONAREM between 1970 and 1995 on the 3 main gold-bearing vein showings that were discovered: Tachamek, Point 33 and Zone B. On the Tachamek showing, gold-bearing quartz veins form 6 gold fields that sometimes extend over 500 metres. Two grab samples taken by Cancor geologists contained 410 g/t Au and 128.50 g/t Au, which confirms the high grades that have been obtained in the past. Free gold was observed in one sample.

The mineralizations that were discovered on the In Ouzzal permit are associated with the In Ouzzal fault, which controls the emplacement of the Amesmessa and Tirek gold deposits located to the north.

Recommendations

A work program in two phases, phase I and phase II, is recommended. In view of the weather conditions, the best period to complete the proposed program is between the months of October and April.

Phase I: Geological, geophysical and geochemical work

Regional

- a geological reconnaissance survey accompanied by a systematic sampling (lithogeochemistry and metallic geochemistry) of the bedrock from outcrops or shafts excavated manually according to a regular grid of 500 m X 500 m on the whole area of the exploration permit in order to define the geochemical pattern which could be related to the gold mineralization in place and the mapping of the In Ouzzal East shear zone.

Tachamek Showing

- Line cutting of a grid of an east west orientation totaling one hundred ninety (190) linear km with lines spaced at 100 m and stations at 25 m to be tied to the coordinate system UTM WGS84 which will constitute the base system of the project.
- Magnetic and electromagnetic surveys, totaling 190 km, to facilitate the structural interpretation of the areas covered by the reg.
- A detailed mapping of the sector at the scale of 1: 1,000 or 1: 2,000 with the exact location of the zones exposed and of all previous work (trenches, drill holes...)
- the cleanup of the previous trenches and, as the case may be, excavation of new trenches between the existing ones or on all newly mineralized zones followed by a sampling by systematic channel sampling of the veins and the walls . If necessary, excavation of trenches along the strike of the veins in order to better defines their geometry.

Mineralized point # 33

- The trenches clean up, mapping and systematic re-sampling at the mineralized point # 33 with precise location by GPS.

Phase II: Drilling and sampling

- 1,000 m of diamond drilling of NQ dimension on the best targets identified with the use of a core tracking device.
- Detailed geological mapping of the new showings during the regional survey and, if necessary, excavation of trenches and systematic sampling.

Tirek North Project (See attached technical report)

In May 2008, the government of the République Algérienne Démocratique et Populaire granted Tirek Resources LP, a wholly-owned subsidiary of Cancor, the Tirek North mining prospection permit under exclusive right title for a period of one year. The permit is renewable for two 6-month periods.

The Tirek North permit covers an area of 98,990 hectares (990 km²) and encompasses 40 km of a major fault which is highly prospective for gold. To the south of the property, the same structure hosts two major gold deposits, Tirek and Amessmessa (figure 11).

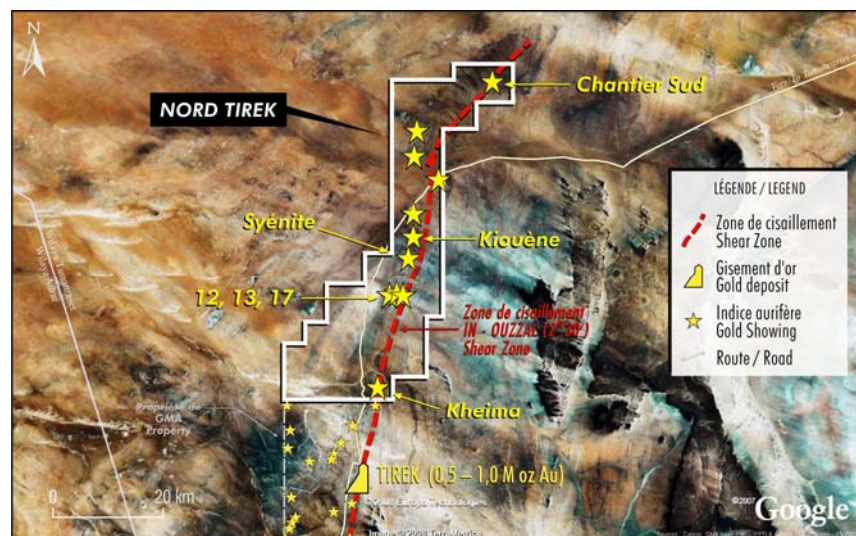


Figure 11: Satellite image showing the gold mineral deposits and showings in the Tirek North area

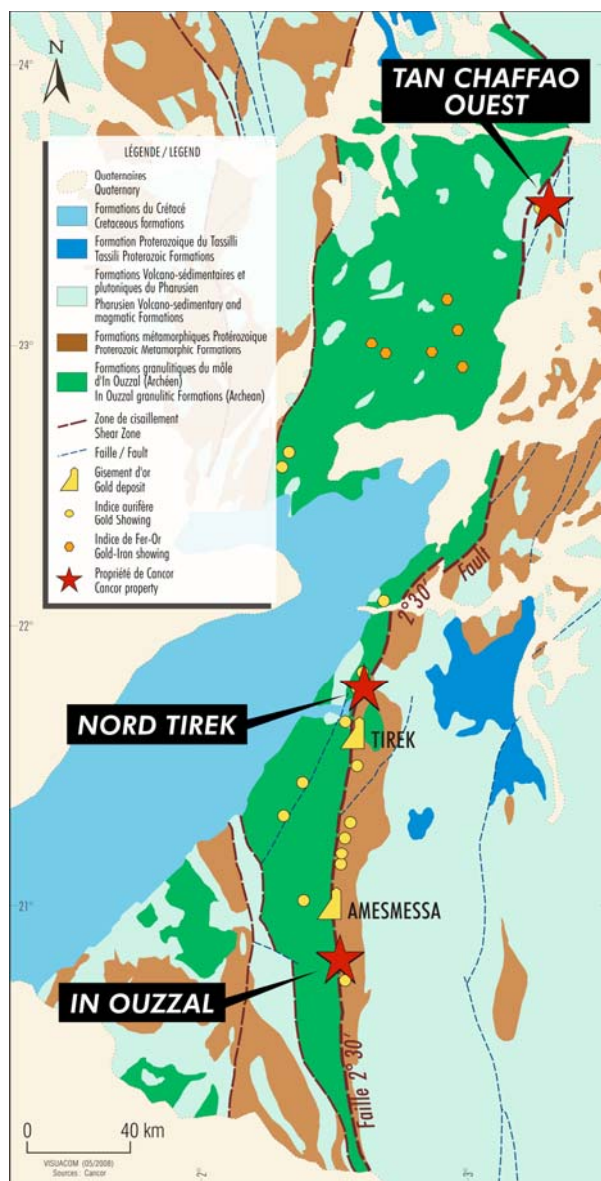


Figure 12: Regional map showing the in Ouzzal major deformation zone with Cancor's properties

Location, access, title

Located in the southern region of Algeria, Tirek North is 320 km south west of the town of Tamanrasset and is approximately 2,000 km south of the town of Algiers in the Saharan desert. The permit is accessible by road in all seasons with the use of 4 by 4 vehicles.

A prospection permit under exclusive right was granted in June 2008 for a period of one year. The permit is renewable. The property was acquired from the Algerian government through a transparent bidding process.

Geology

The permit covers the faulted contact zone between archaean granulitic rocks of the In Ouzzal mole to the west and proterozoic metamorphic rocks to the east. This contact zone is characterized by the presence of a wide strip (up to 1500 m) of mylonitic rocks that are associated with the north extension of the east In Ouzzal shear zone. The Tirek and Amesmessa gold deposits are located 20 km and 35 km respectively south of Tirek North's south boundary (figure 12).

The Tirek deposit contains 630,000 tonnes of ore grading 16.73 g/t Au and the Amesmessa deposit, which is currently put into production, contains 1,040,000 tonnes grading 12.05 g/t Au⁴. In these deposits, the gold, often native, is associated with decimetric to metric quartz veins in mylonitic rocks mineralized with minor sulphides (pyrite, galena and chalcopyrite).

Work

Exploration work conducted by Romanian and Russian geologists between 1970 and 1972 for Sonarem, an agency of the Algerian government, comprised geological reconnaissance surveys and prospection for gold with detailed geological surveys and extensive trenching and sampling on each gold showing.

Mineralizations and potential

Exploration work conducted during the period 1970-1972 led to the discovery of several narrow quartz veins mineralized with gold in sheared mylonitic rocks in several gold fields. The most important zones are: Kheima, Zone 12, Zone 13, Zone 17, Syenite showing and Kiouène. Each mineralized field is made up of several quartz veins that are mineralized with pyrite and locally native gold.

The Kiouène gold field comprises 80 quartz veins, of which 25 are auriferous. The auriferous veins are made up of dark gray quartz containing pyrite, hematite, chalcopyrite, galena and native gold. The width of the auriferous vein varies between 0.1 and 0.5 m and their length is generally less than 200 meters. The grade is highly variable with a maximum of 196.4 g/t Au.

The Syenite gold field represents a 400 meter quartz vein disposed en échelon in syenite, in which two portions assay respectively 10.73 g/t Au over a length of 106 m and a thickness of 0,32 m and 9,51 g/t Au over a length of 34 m and a width of 1.94 m.

Zone 13 contains at least 11 auriferous quartz veins. The auriferous veins generally are less than 100 m long with thickness varying between 0.3 and 2.0 m. The best assays were obtained in vein F10 that grades 16.4 g/t Au over a length of 125 m and a width of 0.3 m and in vein F2 that grades 15.8 g/t Au over a length of 120 m and a width of 0.6 m.

The Kheima showing consists of a discontinuous quartz vein, 500 m long, in which a 75 m portion contains grades which vary between 5.0 and 66.78 g/t Au for an average of 21.0 g/t Au over a width of 2.4 m. The vein material is made up of white to dark grey quartz with small amount of pyrite, galena and iron oxides and native gold in brecciated oxidized zone.

The potential to find vein-type gold deposits similar to the Amesmessa and Tirek deposits is excellent considering that the hosting mineralized fault structure extent on the permit.

⁴ These estimates are not compliant with National Instrument 43-101. Cancor has not undertaken any independent investigation of these estimates and therefore these estimates should not be relied upon.

A 43-101 compliant geological evaluation report will be produced and will be released once completed.

Tan Chaffao East Project (See attached technical report)

In July 2008, the gouvernement of the République Algérienne Démocratique et Populaire granted TCE Exploration LP, a wholly-owned subsidiary of Cancor, the Tan Chaffao East exploration permit under exclusive right title for a period of three years. The permit is renewable for two 12-month periods.

The Tan Chaffao East permit covers an area of 20,000 hectares (200 km²). The permit is a host of a known gold –copper mineralisations.

Location, Access and Title

Located in the southern region of Algeria, Tan Chaffao East is 220 km North West of the town of Tamanrasset and is approximately 2,000 km south of the town of Algiers in the Saharan desert. It is accessible by road in all seasons with the use of 4 by 4 vehicles.

An exploration permit under exclusive right was granted in July 2008 for a period of three years. The permit is renewable. The property was acquired from the Algerian government through a transparent bidding process(figure 13).

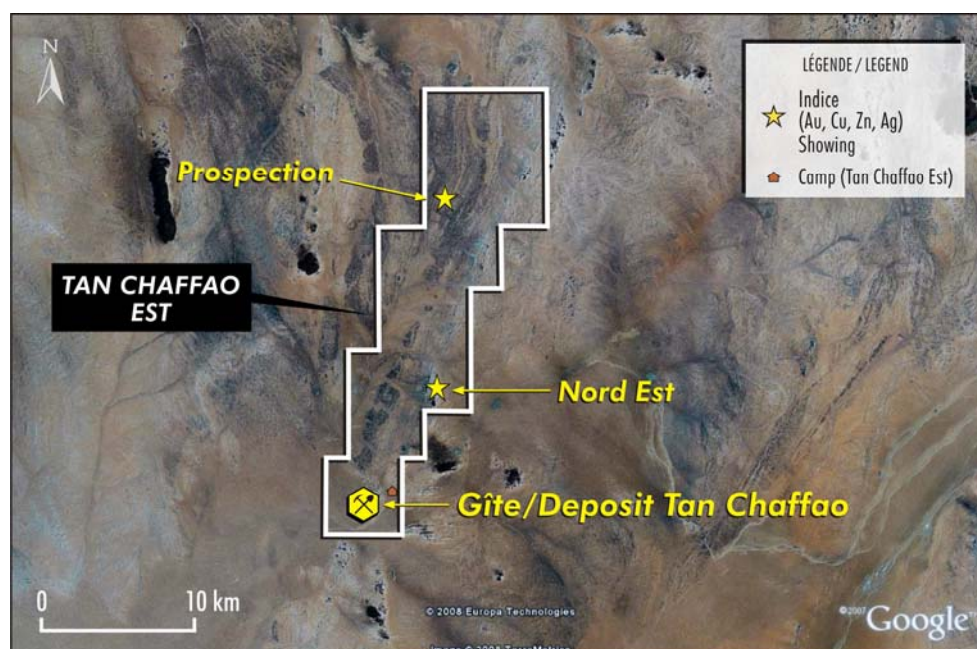


Figure 13: Satellite image showing the Tan Chaffao East gold deposit and showings.

Geology

The permit lies on the eastern border of the archean granulitic rocks of the In Ouzzal mole and occupies the eastern flank of the In Rabir syncline, a 20-km long structure that is north southerly oriented and filled by an assemblage of volcano-sedimentary rocks dominated by rhyolites belonging to the proterozoic formations. Strong alteration zones in volcano-sedimentary rocks are found in association with various faults.

Work

Exploration work conducted in the 1970s by Russian geologists for Sonarem, an agency of the Algerian government, comprised geophysical surveys (magnetic, gravimetric and electrical), lithogeochemical and geological surveys, prospection, extensive trenching and nine diamond drill holes.

In 2006, Maghreb Minerals in partnership with Goldim, an Algerian company, conducted some geophysical surveys, some trenching and 5 new drill holes totaling 823 meters. Their results are not available, but the core is still on site.

Mineral inventory

Based on the extensive trenches and the 9 drill holes done by the Russian geologists, the polymetallic deposit of Tan Chaffao East is estimated to contain 6,600,000 tonnes of mineral inventory in three zones grading 0.55% Cu, 1.65% Zn and 1.62 g/t Au⁵ The mineralization is associated with disseminations and veinlets of sulphides (pyrite, chalcopyrite and galena) in altered silicified felsic volcanics that are crossed by a network of quartz and barite veinlets locally containing visible gold (figure 14).

Potential

The potential to confirm and extend the mineral resources of the Tan Chaffao East deposit is excellent. A 43-101 compliant geological evaluation report will be produced and will be released once completed.

⁵ This estimate is historical in nature and is not compliant with National Instrument 43-101. Cancor has not undertaken any independent investigation of this estimate and therefore this historical estimate should not be relied upon. However, the Company believes that this estimate provide a conceptual indication of the potential of the property and are relevant to ongoing exploration.

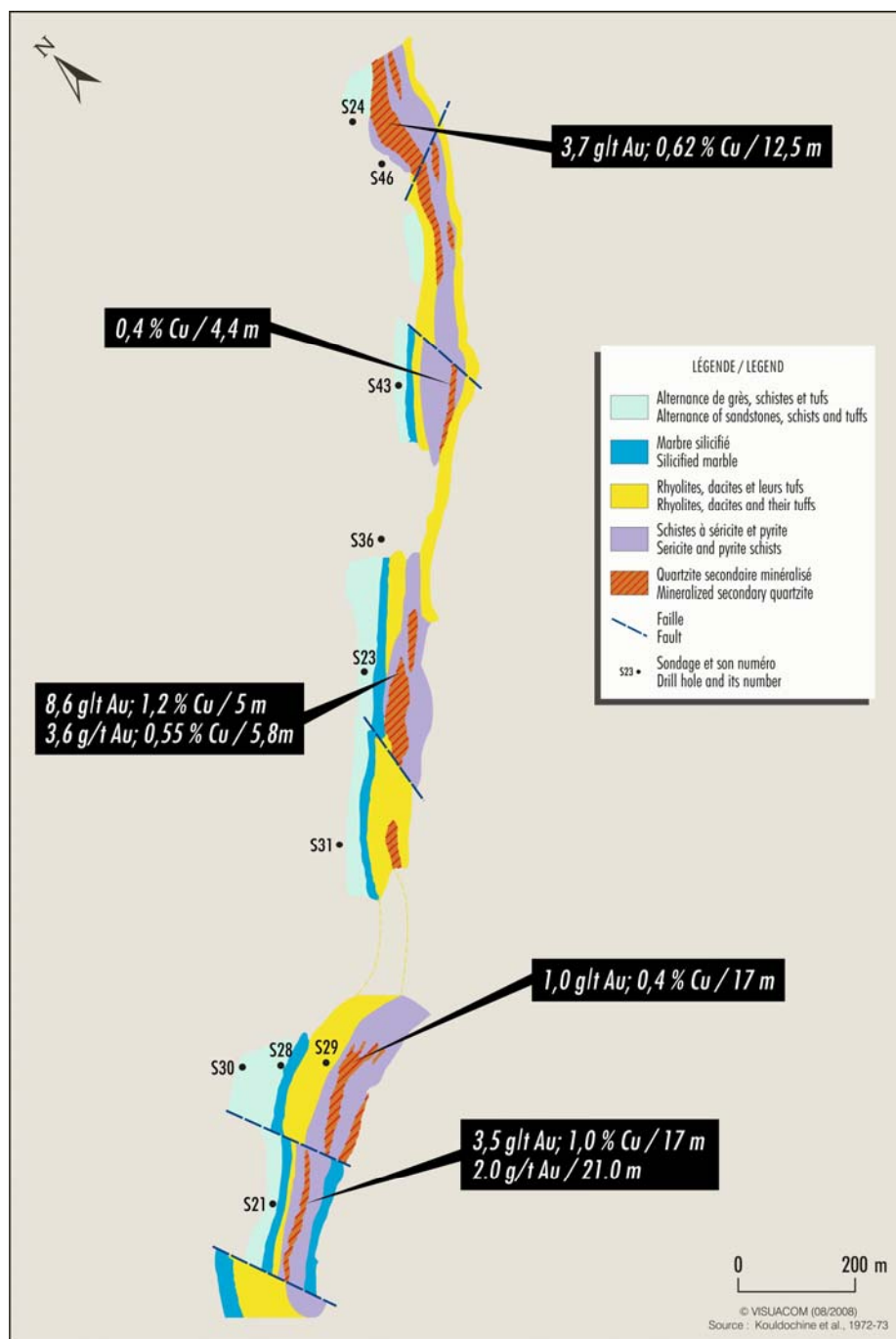


Figure 14: Geological map of the Tan Chaffao East deposit

4.4 Issuers with Oil and Gas Operations — For Issuers with oil and gas operations, disclose the following (in tabular form, if appropriate):

The question is not applicable to the Issuer.

- (a) Drilling Activity — The number of wells the Issuer has drilled or has participated in drilling, the number of these wells that were completed as oil wells and gas wells that are capable of production, each stated separately, and the number of dry holes, expressed in each case as gross and net wells, during each of the two most recently completed financial years of the Issuer.
- (b) Location of Production — The geographical areas of the Issuer's production, the groups of oil and gas properties, the individual oil and gas properties and the plants, facilities and installations that, in each case, are owned or leased by the Issuer and are material to the Issuer's operations or exploratory activities.
- (c) Location of Wells — The location, stated separately for oil wells and gas wells, by jurisdiction, if in Canada, by state, if in the United States, and by country otherwise, of producing wells and wells capable of producing, in which the Issuer has an interest and which are material, with the interest expressed in terms of gross and net wells.
- (d) Interest in Material Properties — For interests in material properties to which no proved reserves have been attributed, the gross acreage in which the Issuer has an interest and the net interest of the Issuer, and the location of acreage by geographical area.
- (e) Reserve Estimates — To the extent material, estimated reserve volumes and discounted cash flow from such reserves, stated separately by country and by categories and types that conform to the classifications, definitions and disclosure requirements of National Policy Statement No. 2-B Guide for Engineers and Geologists Submitting Oil and Gas Reports to Canadian Provincial Securities Administrators or any successor instrument, on both a gross and net basis as at the most recent financial year end, including information on royalties.
- (f) Source of Reserve Estimates — The source of the reserve estimates and whether the reserve estimates have been prepared by the Issuer or by independent engineers or other qualified independent persons and any other information relating to reserve estimates required to be disclosed in a prospectus by any successor instrument to National Policy Statement No. 2-B.
- (g) Reconciliation of Reserves — A reconciliation of the reserve volumes by categories and types that conform to the classifications, definitions and disclosure requirements of National Policy Statement No. 2-B or any successor instrument, as at the financial year end immediately preceding the most recently completed financial year to the reserve volume information furnished under paragraph 5, with the effects of production, acquisitions, dispositions, discoveries and revision of estimates shown separately, if material.

- (h) History — For each quarter of the most recently completed financial year of the Issuer, with comparative data for the same periods in the preceding financial year,
- (i) the average daily production volume, before deduction of royalties, of
 - (A) conventional crude oil,
 - (B) natural gas liquids, and
 - (C) natural gas;
 - (ii) the following on a per barrel basis for conventional crude oil and natural gas liquids and on a per thousand cubic feet basis for natural gas
 - (A) the average net product prices received,
 - (B) royalties,
 - (C) operating expenses, specifying the particular items included, and
 - (D) netback received;
 - (iii) the average net product price received for the following, if the Issuer's production of the following is material to the Issuer's overall production,
 - (A) light and medium conventional crude oil,
 - (B) heavy conventional crude oil, and
 - (C) synthetic crude oil; and
 - (iv) the dollar amounts expended on
 - (A) property acquisition,
 - (B) exploration, including drilling, and
 - (C) development, including facilities.
- (i) Future Commitments — A description of the Issuer's future material commitments to buy, sell, exchange or transport oil or gas, stating for each commitment separately
- (i) the aggregate price;
 - (ii) the price per unit;
 - (iii) the volume to be purchased, sold, exchanged or transported; and
 - (iv) the term of the commitment.
- (j) Exploration and Development — A description of the Issuer's current and contemplated exploration or development activities, to the extent they are material.

Instruction: The information required under this item shall be derived from or supported by information obtained from a report prepared in accordance with the provisions of National Policy No. 2-B or any successor instrument.

The questions are not applicable to the Issuer.

5. Selected Consolidated Financial Information

5.1 Annual Information — Provide the following financial data for the Issuer in summary form for each of the last three completed financial years and any period subsequent to the most recent financial year end for which financial statements have been prepared, accompanied by a discussion of the factors affecting the comparability of the data, including discontinued operations, changes in accounting policies, significant acquisitions or significant dispositions and major changes in the direction of the Issuer's business:

- (a) Net sales or total revenues.
- (b) Income from continuing operations, in total and on a per share basis and fully diluted per share basis, calculated in accordance with the Handbook.
- (c) Net income or loss, in total and on a per share and fully diluted per share basis, calculated in accordance with the Handbook.
- (d) Total assets.
- (e) Total long-term financial liabilities as defined in the Handbook.
- (f) Cash dividends declared per share for each class of share.
- (g) Such other information as the Issuer believes would enhance an understanding of and would highlight other trends in financial condition and results of operations.

Year ended	Total revenue \$	Net profit (Loss) \$	Net profit (Loss) per share, basic and diluted \$	Total assets \$	Future Income taxes \$	Cash dividends \$
31-Mar-08	33,452	63,379	0.01	8,236,301	1,328,000	n/a
31-Mar-07	28,483	(490,347)	(0.01)	6,746,986	1,750,000	n/a
31-Mar-06	44,506	(394,273)	(0.01)	5,984,373	1,425,000	n/a

5.2 Quarterly Information — For each of the eight most recently completed quarters ending at the end of the most recently completed financial year, provide the information required in paragraphs (a), (b) and (b) of Section 5.1

Quarter ended	Total revenue	Net profit (Loss)	Net profit (Loss) per share, basic and diluted
	\$	\$	\$
31-Dec-08	99	(84,803)	(0.01)
30-Sep-08	3,690	(154,448)	(0.01)
30-Jun-08	1,773	(129,687)	(0.01)
31-Mar-08	6,026	386,113	0.01
31-Dec-07	8,354	(88,182)	(0.01)
30-Sep-07	13,328	(136,310)	(0.01)
30-Jun-07	5,744	(96,242)	(0.01)
31-Mar-07	9,281	(75,537)	(0.01)
31-Dec-06	10,952	(76,597)	(0.01)
30-Sep-06	4,447	(198,867)	(0.01)
30-Jun-06	3,803	(139,346)	(0.01)

Instruction:

- (1) For an Issuer that has not been a reporting Issuer for the eight most recently completed quarters ending at the end of the most recently completed financial year, provide the information required in paragraphs (a), (b) and (c) of Section 5.1 for the period that the Issuer was not a reporting Issuer only if the Issuer has prepared quarterly financial statements for that period.
- (2) If the Issuer is only required to file six month interim financial statements, the information required under paragraph (1) may instead be provided for each of the four most recently completed six month periods ended at the end of the most recently completed financial year for which financial statements have been prepared.

5.3 Dividends

The question is not applicable to the Issuer.

- (a) Describe any restriction that could prevent the Issuer from paying dividends.
- (b) Disclose the Issuer's dividend policy and if a decision has been made to change the dividend policy, disclose the intended change in dividend policy.

5.4 Foreign GAAP — An Issuer may present the selected consolidated financial information required in this section on the basis of foreign GAAP if

- (a) the Issuer's primary financial statements have been prepared using foreign GAAP; and

- (b) if the Issuer is required under applicable securities legislation to have reconciled its financial statements to Canadian GAAP at the time of filing its financial statements or the Issuer has otherwise done so, a cross reference to the notes to the financial statements containing the reconciliation of the financial statements to Canadian GAAP is included.

The answer is not applicable to the Issuer.

Instruction:

- (1) If financial information that is included in the summary is derived from financial statements included in the listing statement, but the financial information is neither directly presented in, nor readily determinable from, the financial statements, include a reconciliation to the financial statements in notes.
- (2) If financial information that is included in the listing statement is derived from financial statements that are not included in the listing statement, indicate in the lead-in to the summary the source from which the information is extracted, the percentage interest that the issuer has in the person or company, the GAAP principles used, the name of the auditors, the date of the report, and the nature of the opinion expressed.
- (3) The derivation of ratios included in the listing statement in notes should be disclosed in notes to the listing statement.
- (4) Information included in the listing statement should be presented in a manner that is consistent with the intent of Canadian accounting recommendations and practices (e.g., cash flow data should not be interspersed with amounts from an income statement in a manner which suggests that cash flow data has been or should be presented in an income statement, and cash flow data should not be presented in a manner that appears to give it prominence equal to or greater than earnings data).

6. Management's Discussion and Analysis

General Instructions and Interpretation

Provide MD&A for the most recent annual financial statements filed with the application for quotation (or filed since the last update of the quotation statement, and interim MD&A for each interim financial statement filed with the application for quotation (or filed since the last update of the quotation statement). The first interim MD&A will update the annual MD&A, and each subsequent interim MD&A will update the previous interim MD&A.

What is MD&A? — MD&A is a narrative explanation, through the eyes of management, of how the Issuer performed during the period covered by the financial statements, and of the Issuer's financial condition and future prospects. MD&A complements and supplements your financial statements, but does not form part of your financial statements. Management's objective when preparing the MD&A should be to improve the Issuer's overall financial disclosure by giving a balanced discussion of the Issuer's results of operations and financial condition including, without limitation, such considerations as liquidity and capital resources - openly reporting bad news as well as good news.

MD&A should help current and prospective investors understand what the financial statements show and do not show; discuss material information that may not be fully reflected in the financial statements, such as contingent liabilities, defaults under debt, off-balance sheet financing arrangements, or other contractual obligations; discuss important trends and risks that have affected the financial statements, and trends and risks that are reasonably likely to affect them in the future; and provide information about the quality, and potential variability, of the Issuer's

earnings and cash flow, to assist investors in determining if past performance is indicative of future performance.

Date of Information — In preparing the MD&A, management must take into account information available up to the date of the MD&A. If the date of the MD&A is not the date it is filed, management must ensure the disclosure in the MD&A is current so that it will not be misleading when it is filed.

Explain the Analysis — Explain the nature of, and reasons for, changes in the Issuer's performance. Do not simply disclose the amount of change in a financial statement item from period to period. Avoid using boilerplate language. The discussion should assist the reader to understand trends, events, transactions and expenditures.

Focus on Material Information — Management does not need to disclose information that is not material. Exercise judgment when determining whether information is material.

What is Material? — Would a reasonable investor's decision whether or not to buy, sell or hold the Issuer's securities likely be influenced or changed if the information in question was omitted or misstated? If so, the information is likely material. This concept of materiality is consistent with the financial reporting notion of materiality contained in the Handbook.

Forward-Looking Information — Management is encouraged to provide forward-looking information if it has a reasonable basis for making the statements. Preparing MD&A necessarily involves some degree of prediction or projection. For example, MD&A requires a discussion of known trends or uncertainties that are reasonably likely to affect the Issuer's business. However, MD&A does not require that the Issuer provide a detailed forecast of future revenues, income or loss or other information. All forward-looking information must contain a statement that the information is forward-looking, a description of the factors that may cause actual results to differ materially from the forward-looking information, management's material assumptions and appropriate risk disclosure and cautionary language.

The MD&A must discuss any forward-looking information disclosed in MD&A for a prior period which, in light of intervening events and absent further explanation, may be misleading. Forward looking statements may be considered misleading when they are unreasonably optimistic or aggressive, or lack objectivity, or are not adequately explained. Timely disclosure obligations might also require the Issuer to issue a news release and file a material change report.

Issuers Without Significant Revenues — If the Issuer is without significant revenues from operations, focus the discussion and analysis of results of operations on expenditures and progress towards achieving management's business objectives and milestones.

Reverse Takeover Transactions — When an acquisition is accounted for as a reverse takeover, the MD&A should be based on the reverse takeover acquirer's financial statements.

Foreign Accounting Principles — If the Issuer's primary financial statements have been prepared using accounting principles other than Canadian GAAP and a reconciliation is provided, the MD&A must focus on the primary financial statements.

Resource Issuers — If the Issuer has mineral projects, the disclosure must comply with National Instrument 43-101 Standards of Disclosure for Mineral Projects, including the requirement that all scientific and technical disclosure be based on a technical report or other information prepared by or under the supervision of a qualified person. If the Issuer has oil and gas activities, the

disclosure must comply with National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities.

Annual MD&A

Date

- 6.1 Specify the date of the MD&A. The date of the MD&A must be no earlier than the date of the auditor's report on the financial statements for the Issuer's most recently completed financial year.

Overall Performance

- 6.2 Provide an analysis of the Issuer's financial condition, results of operations and cash flows. Discuss known trends, demands, commitments, events or uncertainties that are reasonably likely to have an effect on the Issuer's business. Compare the Issuer's performance in the most recently completed financial year to the prior year's performance. The analysis should address at least the following:
- (a) operating segments that are reportable segments as those terms are used in the Handbook;
 - (b) other parts of the business if
 - (i) they have a disproportionate effect on revenues, income or cash needs; or
 - (ii) there are any legal or other restrictions on the flow of funds from one part of the Issuer's business to another;
 - (c) industry and economic factors affecting the Issuer's performance;
 - (d) why changes have occurred or expected changes have not occurred in the Issuer's financial condition and results of operations; and
 - (e) the effect of discontinued operations on current operations.

Instruction:

- (1) When explaining changes in the Issuer's financial condition and results, include an analysis of the effect on the Issuer's continuing operations of any acquisition, disposition, write-off, abandonment or other similar transaction.
- (2) Financial condition includes the Issuer's financial position (as shown on the balance sheet) and other factors that may affect the Issuer's liquidity and capital resources.
- (3) Include information for a period longer than one financial year if it will help the reader to better understand a trend.

Selected Annual Information

See 5.1

- 6.3 Provide the following financial data derived from the Issuer's financial statements for each of the three most recently completed financial years:

- (a) net sales or total revenues;
 - (b) income or loss before discontinued operations and extraordinary items, in total and on a per-share and diluted per-share basis;
 - (c) net income or loss, in total and on a per-share and diluted per-share basis;
 - (d) total assets;
 - (e) total long-term financial liabilities; and
 - (f) cash dividends declared per-share for each class of share.
- 6.4 Discuss the factors that have caused period to period variations including discontinued operations, changes in accounting policies, significant acquisitions or dispositions and changes in the direction of the Issuer's business, and any other information the Issuer believes would enhance an understanding of, and would highlight trends in, financial condition and results of operations.

Instruction: Indicate the accounting principles that the financial data has been prepared in accordance with, the reporting currency, the measurement currency if different from the reporting currency and, if the underlying financial statements have been reconciled to Canadian GAAP, provide a cross-reference to the reconciliation that is found in the notes to the financial statements.

Results of Operations

- 6.5 Discuss management's analysis of the Issuer's operations for the most recently completed financial year, including
- (a) net sales or total revenues by operating business segment, including any changes in such amounts caused by selling prices, volume or quantity of goods or services being sold, or the introduction of new products or services;
 - (b) any other significant factors that caused changes in net sales or total revenues;
 - (c) cost of sales or gross profit;
 - (d) for issuers that have significant projects that have not yet generated operating revenue, describe each project, including the Issuer's plan for the project and the status of the project relative to that plan, and expenditures made and how these relate to anticipated timing and costs to take the project to the next stage of the project plan;
 - (e) for resource issuers with producing mines, identify milestones such as mine expansion plans, productivity improvements, or plans to develop a new deposit;
 - (f) factors that caused a change in the relationship between costs and revenues, including changes in costs of labour or materials, price changes or inventory adjustments;

- (g) commitments, events, risks or uncertainties that you reasonably believe will materially affect the Issuer's future performance including net sales, total revenue and income or loss before discontinued operations and extraordinary items;
- (h) effect of inflation and specific price changes on the Issuer's net sales and total revenues and on income or loss before discontinued operations and extraordinary items;
- (i) a comparison in tabular form of disclosure you previously made about how the Issuer was going to use proceeds (other than working capital) from any financing, an explanation of variances and the impact of the variances, if any, on the Issuer's ability to achieve its business objectives and milestones; and
- (j) unusual or infrequent events or transactions.

Instruction: The discussion under Item 6.5(d) should include

- (i) whether or not management plans to expend additional funds on the project; and
- (ii) any factors that have affected the value of the project(s) such as change in commodity prices, land use or political or environmental issues.

Summary of Quarterly Results

See 5.2

6.6 Provide the following information in summary form, derived from the Issuer's financial statements, for each of the eight most recently completed quarters:

- (a) net sales or total revenues;
- (b) income or loss before discontinued operations and extraordinary items, in total and on a per-share and diluted per-share basis; and
- (c) net income or loss, in total and on a per-share and diluted per-share basis.

Discuss the factors that have caused variations over the quarters necessary to understand general trends that have developed and the seasonality of the business.

Instruction:

- (1) The most recently completed quarter is the quarter that ended on the last day of your most recently completed financial year. Information does not have to be provided for a quarter prior to the Issuer becoming a reporting issuer if the Issuer has not prepared financial statements for those quarters.
- (2) For sections 1.2, 1.3, 1.4 and 1.5 consider identifying, discussing and analyzing the following factors:
 - (i) changes in customer buying patterns, including changes due to new technologies and changes in demographics;
 - (ii) changes in selling practices, including changes due to new distribution arrangements or a reorganization of a direct sales force;
 - (iii) changes in competition, including an assessment of the issuer's resources, strengths and weaknesses relative to those of its competitors;
 - (iv) the effect of exchange rates;

- (v) changes in pricing of inputs, constraints on supply, order backlog, or other input-related matters;
 - (vi) changes in production capacity, including changes due to plant closures and work stoppages;
 - (vii) changes in volume of discounts granted to customers, volumes of returns and allowances, excise and other taxes or other amounts reflected on a net basis against revenues;
 - (viii) changes in the terms and conditions of service contracts;
 - (ix) the progress in achieving previously announced milestones; and
 - (x) for resource issuers with producing mines, identify changes to cash flow caused by changes in production throughput, head-grade, cut-off grade, metallurgical recovery and any expectation of future changes.
- (3) Indicate the accounting principles that the financial data has been prepared in accordance with, the reporting currency, the measurement currency if different from the reporting currency and, if the underlying financial statements have been reconciled to Canadian GAAP, provide a cross-reference to the reconciliation that is found in the notes to the financial statements.

Liquidity

6.7 Provide an analysis of the Issuer's liquidity, including

- (a) its ability to generate sufficient amounts of cash and cash equivalents, in the short term and the long term, to maintain the Issuer's capacity, to meet the Issuer's planned growth or to fund development activities;
- (b) trends or expected fluctuations in the Issuer's liquidity, taking into account demands, commitments, events or uncertainties;
- (c) its working capital requirements;
- (d) liquidity risks associated with financial instruments;
- (e) if the Issuer has or expects to have a working capital deficiency, discuss its ability to meet obligations as they become due and how you expect it to remedy the deficiency;
- (f) balance sheet conditions or income or cash flow items that may affect the Issuer's liquidity;
- (g) legal or practical restrictions on the ability of subsidiaries to transfer funds to the Issuer and the effect these restrictions have had or may have on the ability of the Issuer to meet its obligations; and
- (h) defaults or arrears or anticipated defaults or arrears on
 - (i) dividend payments, lease payments, interest or principal payment on debt;
 - (ii) debt covenants during the most recently completed financial year; and

- (iii) redemption or retraction or sinking fund payments,
and how the Issuer intends to cure the default or arrears.

Instruction:

- (1) In discussing the Issuer's ability to generate sufficient amounts of cash and cash equivalents, describe sources of funding and the circumstances that could affect those sources that are reasonably likely to occur. Examples of circumstances that could affect liquidity are market or commodity price changes, economic downturns, defaults on guarantees and contractions of operations.
- (2) In discussing trends or expected fluctuations in the Issuer's liquidity and liquidity risks associated with financial instruments, discuss
- (a) provisions in debt, lease or other arrangements that could trigger an additional funding requirement or early payment. Examples of such situations are provisions linked to credit rating, earnings, cash flows or share price; and
- (b) circumstances that could impair the Issuer's ability to undertake transaction considered essential to operations. Examples of such circumstances are the inability to maintain investment grade credit rating, earnings per-share, cash flow or share price.
- (3) In discussing the Issuer's working capital requirements, discuss situations where the Issuer must maintain significant inventory to meet customers' delivery requirements or any situations involving extended payment terms.
- (4) In discussing the Issuer's balance sheet conditions or income or cash flow items consider a summary, in tabular form, of contractual obligations including payments due for each of the next five years and thereafter. This summary and table is not, however, mandatory. An example of a table that can be adapted to the Issuer's particular circumstances follows:

Contractual Obligations	Payments Due by Period				
	Total	Less than 1 year	1 - 3 years	4 - 5 years	After 5 years
Long Term Debt					
Capital Lease Obligations					
Operating Leases					
Purchase Obligations ¹					
Other Long Term Obligations ²					
Total Contractual Obligations					

¹ "Purchase Obligation" means an agreement to purchase goods or services that is enforceable and legally binding on the Issuer that specifies all significant terms, including: fixed or minimum quantities to be purchased; fixed, minimum or variable price provisions; and the approximate timing of the transaction.

² "Other Long Term Obligations" means other long-term liabilities reflected on the Issuer's balance sheet.

The tabular presentation may be accompanied by footnotes to describe provisions that create, increase or accelerate obligations, or other details to the extent necessary for an understanding of the timing and amount of the Issuer's specified contractual obligations.

Capital Resources

6.8 Provide an analysis of the Issuer's capital resources, including

- (a) commitments for capital expenditures as of the date of the Issuer's financial statements including

- (i) the amount, nature and purpose of these commitments;
 - (ii) the expected source of funds to meet these commitments; and
 - (iii) expenditures not yet committed but required to maintain the Issuer's capacity, to meet the Issuer's planned growth or to fund development activities;
- (b) known trends or expected fluctuations in the Issuer's capital resources, including expected changes in the mix and relative cost of these resources; and
 - (c) sources of financing that the Issuer has arranged but not yet used.

Instruction:

- (1) Capital resources are financing resources available to the Issuer and include debt, equity and any other financing arrangements that management reasonably considers will provide financial resources to the Issuer.
- (2) In discussing the Issuer's commitments management should discuss any exploration and development, or research and development expenditures required to maintain properties or agreements in good standing.

Off-Balance Sheet Arrangements

The Company has no Off-Balance Sheet Arrangements

- 6.9 Discuss any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Issuer including, without limitation, such considerations as liquidity and capital resources. This discussion shall include their business purpose and activities, their economic substance, risks associated with the arrangements, and the key terms and conditions associated with any commitments, including
- (a) a description of the other contracting party(ies);
 - (b) the effects of terminating the arrangement;
 - (c) the amounts receivable or payable, revenues, expenses and cash flows resulting from the arrangement;
 - (d) the nature and amounts of any other obligations or liabilities arising from the arrangement that could require the Issuer to provide funding under the arrangement and the triggering events or circumstances that could cause them to arise; and
 - (e) any known event, commitment, trend or uncertainty that may affect the availability or benefits of the arrangement (including any termination) and the course of action that management has taken, or proposes to take, in response to any such circumstances.

Instruction:

- (1) Off-balance sheet arrangements include any contractual arrangement with an entity not reported on a consolidated basis with the Issuer, under which the Issuer has
 - (a) any obligation under certain guarantee contracts;
 - (b) a retained or contingent interest in assets transferred to an unconsolidated entity or similar arrangement that serves as credit, liquidity or market risk support to that entity for the assets;
 - (c) any obligation under certain derivative instruments; or
 - (d) any obligation under a material variable interest held by the Issuer in an unconsolidated entity that provides financing, liquidity, market risk or credit risk support to the Issuer, or engages in leasing, hedging or, research and development services with the Issuer.
- (2) Contingent liabilities arising out of litigation, arbitration or regulatory actions are not considered to be off-balance sheet arrangements.
- (3) Disclosure of off-balance sheet arrangements should cover the most recently completed financial year. However, the discussion should address changes from the previous year where such discussion is necessary to understand the disclosure.
- (4) The discussion need not repeat information provided in the notes to the financial statements if the discussion clearly cross-references to specific information in the relevant notes and integrates the substance of the notes into the discussion in a manner that explains the significance of the information not included in the MD&A.

Transactions with Related Parties

- 6.10 Discuss all transactions involving related parties as defined by the Handbook.

Instruction: In discussing the Issuer's transactions with related parties, the discussion should include both qualitative and quantitative characteristics that are necessary for an understanding of the transactions' business purpose and economic substance. Management should discuss

- (a) the relationship and identify the related person or entities;
- (b) the business purpose of the transaction;
- (c) the recorded amount of the transaction and the measurement basis used; and
- (d) any ongoing contractual or other commitments resulting from the transaction.

Fourth Quarter

- 6.11 Discuss and analyze fourth quarter events or items that affected the Issuer's financial condition, cash flows or results of operations, including extraordinary items, year-end and other adjustments, seasonal aspects of the Issuer's business and dispositions of business segments.

Proposed Transactions

- 6.12 Discuss the expected effect on financial condition, results of operations and cash flows of any proposed asset or business acquisition or disposition if the Issuer's board of directors, or senior management who believe that confirmation of the decision by the board is probable, have decided to proceed with the transaction. Include the status of any required shareholder or regulatory approvals.

Changes in Accounting Policies including Initial Adoption

- 6.13 Discuss and analyze any changes in the Issuer's accounting policies, including
- (a) for any accounting policies that management has adopted or expects to adopt subsequent to the end of the most recently completed financial year, including changes management has made or expects to make voluntarily and those due to a change in an accounting standard or a new accounting standard that you do not have to adopt until a future date,
 - (i) describe the new standard, the date the Issuer required to adopt it and, if determined, the date the Issuer plans to adopt it;
 - (ii) disclose the methods of adoption permitted by the accounting standard and the method management expects to use;
 - (iii) discuss the expected effect on the Issuer's financial statements, or if applicable, state that management cannot reasonably estimate the effect; and
 - (iv) discuss the potential effect on the Issuer's business, for example technical violations or default of debt covenants or changes in business practices; and
 - (b) for any accounting policies that management has initially adopted during the most recently completed financial year,
 - (i) describe the events or transactions that gave rise to the initial adoption of an accounting policy;
 - (ii) describe the accounting principle that has been adopted and the method of applying that principle;
 - (iii) discuss the effect resulting from the initial adoption of the accounting policy on the Issuer's financial condition, changes in financial condition and results of operations;
 - (iv) if the Issuer is permitted a choice among acceptable accounting principles,
 - (A) state that management made a choice among acceptable alternatives;
 - (B) identify the alternatives;
 - (C) describe why management made the choice that you did; and
 - (D) discuss the effect, where material, on the Issuer's financial condition, changes in financial condition and results of operations under the alternatives not chosen; and

- (v) if no accounting literature exists that covers the accounting for the events or transactions giving rise to management's initial adoption of the accounting policy, explain management's decision regarding which accounting principle to use and the method of applying that principle.

Instruction: Management does not have to present the discussion under paragraph 6.13(b) for the initial adoption of accounting policies resulting from the adoption of new accounting standards.

Financial Instruments and Other Instruments

6.14 For financial instruments and other instruments,

- (a) discuss the nature and extent of the Issuer's use of, including relationships among, the instruments and the business purposes that they serve;
- (b) describe and analyze the risks associated with the instruments;
- (c) describe how management manages the risks in paragraph (b), including a discussion of the objectives, general strategies and instruments used to manage the risks, including any hedging activities;
- (d) disclose the financial statement classification and amounts of income, expenses, gains and losses associated with the instrument; and
- (e) discuss the significant assumptions made in determining the fair value of financial instruments, the total amount and financial statement classification of the change in fair value of financial instruments recognized in income for the period, and the total amount and financial statement classification of deferred or unrecognized gains and losses on financial instruments.

Instructions:

- (1) "Other instruments" are instruments that may be settled by the delivery of non-financial assets. A commodity futures contract is an example of an instrument that may be settled by delivery of non-financial assets.
- (2) The discussion under paragraph 6.14(a) should enhance a reader's understanding of the significance of recognized and unrecognized instruments on the Issuer's financial position, results of operations and cash flows. The information should also assist a reader in assessing the amounts, timing, and certainty of future cash flows associated with those instruments. Also discuss the relationship between liability and equity components of convertible debt instruments.
- (3) For purposes of paragraph 6.14(c), if the Issuer is exposed to significant price, credit or liquidity risks, consider providing a sensitivity analysis or tabular information to help readers assess the degree of exposure. For example, an analysis of the effect of a hypothetical change in the prevailing level of interest or currency rates on the fair value of financial instruments and future earnings and cash flows may be useful in describing the Issuer's exposure to price risk.
- (4) For purposes of paragraph 6.14(d), disclose and explain the income, expenses, gains and losses from hedging activities separately from other activities.

Interim MD&A

- 6.15 Specify the date of the interim MD&A.
- 6.16 Interim MD&A must update the Issuer's annual MD&A for all disclosure required by sections 6.2 to 6.14 except sections 6.3 and 6.4. This disclosure must include
- (a) a discussion of management's analysis of
 - (i) current quarter and year-to-date results including a comparison of results of operations and cash flows to the corresponding periods in the previous year;
 - (ii) changes in results of operations and elements of income or loss that are not related to ongoing business operations;
 - (iii) any seasonal aspects of the Issuer's business that affect its financial condition, results of operations or cash flows; and
 - (b) a comparison of the Issuer's interim financial condition to the Issuer's financial condition as at the most recently completed financial year-end.

Instruction:

- (1) For the purposes of paragraph (b), do not duplicate the discussion and analysis of financial condition in the annual MD&A. For example, if economic and industry factors are substantially unchanged the interim MD&A may make a statement to this effect.
- (2) For the purposes of subparagraph (a)(i), you should generally give prominence to the current quarter.
- (3) In discussing the Issuer's balance sheet conditions or income or cash flow items for an interim period, you do not have to present a summary, in tabular form, of all known contractual obligations contemplated under section 6.7. Instead, you should disclose material changes in the specified contractual obligations during the interim period that are outside the ordinary course of the Issuer's business.
- (4) Interim MD&A is not required for the Issuer's fourth quarter as relevant fourth quarter content will be contained in the Issuer's annual MD&A.

Additional Disclosure for Issuers without Significant Revenue

- 6.17
- (1) Unless the information is disclosed in the financial statements to which the annual or interim MD&A relates, an Issuer that has not had significant revenue from operations in either of its last two financial years must disclose a breakdown of material components of
 - (a) capitalized or expensed exploration and development costs;
 - (b) expensed research and development costs;
 - (c) deferred development costs;
 - (d) general and administration expenses; and

- (e) any material costs, whether capitalized, deferred or expensed, not referred to in paragraphs (a) through (d)

and if the Issuer's business primarily involves mining exploration and development, the analysis of capitalized or expensed exploration and development costs must be presented on a property-by-property basis.

- (2) The disclosure in the annual MD&A must be for the two most recently completed financial years and the disclosure in the interim MD&A for the each year-to-date interim period and the comparative period presented in the interim statements.

7. Market for Securities

TMX , Toronto Stock Exchange , under symbol KCR

- 7.1 Identify the exchange(s) and quotation system(s) on which the Issuer's securities are listed and posted for trading or quoted.

8. Consolidated Capitalization

- 8.1 Describe any material change in, and the effect of the material change on, the share and loan capital of the Issuer, on a consolidated basis, since the date of the comparative financial statements for the Issuer's most recently completed financial year contained in the Listing Statement.

9. Options to Purchase Securities

Outstanding options

27-Mar-09

NAME	OPTION PRICE	No OPTIONS GRANTED	GRANT DATE	EXPIRY DATE
Kenneth Lester	0.35 \$	40,000	08-Sep-04	07-Sep-09
Kenneth Lester	0.26 \$	50,000	21-Sep-05	20-Sep-10
Kenneth Lester	0.30 \$	75,000	20-Sep-06	21-Sep-11
Kenneth Lester	0.20 \$	75,000	05-Sep-07	04-Sep-12
Kenneth Lester	0.11 \$	25,000	23-Sep-08	22-Sep-13
Gabor Jellinek	0.35 \$	40,000	08-Sep-04	07-Sep-09
Gabor Jellinek	0.26 \$	50,000	21-Sep-05	20-Sep-10
Gabor Jellinek	0.30 \$	75,000	20-Sep-06	21-Sep-11
Gabor Jellinek	0.20 \$	75,000	05-Sep-07	04-Sep-12
Gabor Jellinek	0.11 \$	25,000	23-Sep-08	22-Sep-13
David Crevier	0.35 \$	40,000	08-Sep-04	07-Sep-09
David Crevier	0.26 \$	50,000	21-Sep-05	20-Sep-10
David Crevier	0.30 \$	75,000	20-Sep-06	21-Sep-11
David Crevier	0.20 \$	75,000	05-Sep-07	04-Sep-12
David Crevier	0.11 \$	25,000	23-Sep-08	22-Sep-13
René Dufour	0.35 \$	40,000	08-Sep-04	07-Sep-09
René Dufour	0.26 \$	50,000	21-Sep-05	20-Sep-10
René Dufour	0.30 \$	75,000	20-Sep-06	21-Sep-11

René Dufour	0.20 \$	75,000	05-Sep-07	04-Sep-12
René Dufour	0.11 \$	25,000	23-Sep-08	22-Sep-13
Ercan Ugur	0.35 \$	70,000	08-Sep-04	07-Sep-09
Ercan Ugur	0.26 \$	75,000	21-Sep-05	20-Sep-10
Ercan Ugur	0.30 \$	100,000	20-Sep-06	21-Sep-11
Ercan Ugur	0.20 \$	100,000	05-Sep-07	04-Sep-12
Ercan Ugur	0.11 \$	25,000	23-Sep-08	22-Sep-13
Kamil Khobzi	0.35 \$	120,000	08-Sep-04	07-Sep-09
Kamil Khobzi	0.26 \$	150,000	21-Sep-05	20-Sep-10
Kamil Khobzi	0.30 \$	175,000	20-Sep-06	21-Sep-11
Kamil Khobzi	0.20 \$	175,000	05-Sep-07	04-Sep-12
Kamil Khobzi	0.11 \$	100,000	23-Sep-08	22-Sep-13
Denis Francoeur	0.38 \$	75,000	12-Dec-06	13-Dec-11
Denis Francoeur	0.20 \$	75,000	05-Sep-07	04-Sep-12
Denis Francoeur	0.11 \$	25,000	23-Sep-08	22-Sep-13
Florent Baril	0.20 \$	75,000	05-Sep-07	04-Sep-12
Florent Baril	0.11 \$	25,000	23-Sep-08	22-Sep-13
Total		<u>2,425,000</u>		

- 9.1 State, in tabular form, as at a specified date not more than 30 days before the date of the Listing Statement, information as to options to purchase securities of the Issuer or a subsidiary of the Issuer that are held by
- (a) all executive officers and past executive officers of the Issuer as a group and all directors and past directors of the Issuer who are not also executive officers as a group, indicating the aggregate number of executive officers and the aggregate number of directors to whom the information applies, without naming them;
 - (b) all executive officers and past executive officers of all subsidiaries of the Issuer as a group and all directors and past directors of those subsidiaries who are not also executive officers of the subsidiary as a group, in each case, without naming them and excluding individuals referred to in paragraph (a), indicating the aggregate number of executive officers and the aggregate number of directors to whom the information applies;
 - (c) all other employees and past employees of the Issuer as a group, without naming them;
 - (d) all other employees and past employees of subsidiaries of the Issuer as a group, without naming them;
 - (e) all consultants of the Issuer as a group, without naming them; and
 - (f) any other person or company, including the underwriter, naming each person or company.

Instruction:

- (1) Describe the options, stating the material provisions of each class or type of option, including:
 - (a) the designation and number of the securities under option;
 - (b) the purchase price of the securities under option or the formula by which the purchase price will be determined, and the expiration dates of the options;
 - (c) if reasonably ascertainable, the market value of the securities under option on the date of grant;
 - (d) if reasonably ascertainable, the market value of the securities under option on the specified date; and
 - (e) with respect to options referred to in paragraph (f) of Item 9.1, the particulars of the grant including the consideration for the grant.
- (2) For the purposes of item (f) of Item 9.1, provide the information required for all options except warrants and special warrants.

10. Prior Sales

The question is not applicable to the Issuer.

- 10.1 State the description or the designation each class of equity or debt securities of the Issuer and describe all material attributes and characteristics, including
- (a) dividend rights;
 - (b) voting rights;
 - (c) rights upon dissolution or winding-up;
 - (d) pre-emptive rights;
 - (e) conversion or exchange rights;
 - (f) redemption, retraction, purchase for cancellation or surrender provisions;
 - (g) sinking or purchase fund provisions;
 - (h) provisions permitting or restricting the issuance of additional securities and any other material restrictions;
 - (i) provisions requiring a security holder to contribute additional capital;
 - (j) provisions for interest rate, maturity, and premium, if any of debt securities;
 - (k) the nature and priority of any security for debt securities, briefly identifying the principal properties subject to lien or charge;
 - (l) any material negative covenants, including restrictions against payment of dividends and restrictions against giving security on the assets of the Issuer or its subsidiaries, and provisions as to the release or substitution of assets securing debt securities;
 - (m) the name of the trustee under any indenture relating to debt securities and the nature of any material relationship between the trustee or any of its affiliates and the issuer or any of its affiliates; and
 - (n) any financial arrangements between the Issuer and any of its affiliates or among its affiliates that could affect the security for the indebtedness..

- 10.2 State the prices at which securities of the same class as the securities to be listed have been sold within the 12 months before the date of the Listing Statement, or are to be sold, by the Issuer or any Related Person and the number of securities of the class sold or to be sold at each price.

Instruction: In the case of sales by a Related Person, the information required under Item 10.2 may be given in the form of price ranges for each calendar month.

10.3 Stock Exchange Price

The Shares of the Company are listed for trading on the Toronto Stock Exchange. The following table sets forth the reported high and low sale prices and average daily trading volume of the Shares as reported by the Toronto Stock Exchange for the periods indicated below:

<i>Date</i>	<i>High</i>	<i>Low</i>	<i>Volume</i>
Mar-09	0.03	0.03	8,000
Feb-09	0.05	0.02	9,700
Jan-09	0.05	0.02	18,000
Dec-08	0.04	0.01	184,500
Nov-08	0.06	0.02	27,500
Oct-08	0.09	0.04	31,200
Sep-08	0.13	0.05	19,900
Aug-08	0.17	0.11	12,500
Jul-08	0.17	0.12	3,100
Jun-08	0.18	0.15	2,500
May-08	0.17	0.11	14,000
Apr-08	0.17	0.08	24,700

- (1) If shares of the same class as the shares to be listed were or are listed on a Canadian stock exchange or traded on a Canadian market, provide the price ranges and volume traded on the Canadian stock exchange or market on which the greatest volume of trading generally occurs.
- (2) If shares of the same class as the shares to be listed were or are not listed on a Canadian stock exchange or traded on a Canadian market, provide the price ranges and volume traded on the foreign stock exchange or market on which the greatest volume of trading generally occurs.
- (3) Information is to be provided on a monthly basis for each month or, if applicable, part month, of the current quarter and the immediately preceding quarter and on a quarterly basis for the next preceding seven quarters.

11. Escrowed Securities

The question is not applicable. The Company does not have any escrowed securities.

- 11.1 State as of a specified date within 30 days before the date of the Listing Statement, in substantially the following tabular form, the number of securities of each class of securities of the Issuer held, to the knowledge of the Issuer, in escrow (which, for the purposes of this Form includes any securities subject to a pooling agreement) and the percentage that number represents of the outstanding securities of that class. In a note to the table, disclose the name

of the depository, if any, and the date of and conditions governing the release of the securities from escrow.

ESCROWED SECURITIES

Designation of class held in escrow	Number of securities held in escrow	Percentage of class

12. Principal Shareholders

To the knowledge of the directors and officers of the Company, no person beneficially owns or exercises control or direction over more than 10% of the outstanding Shares of the Company.

- 12.1 (1) Provide the following information for each principal shareholder of the Issuer as of a specified date not more than 30 days before the date of the Listing Statement:
- (a) Name.
 - (b) The number or amount of securities owned of the class to be listed
 - (c) Whether the securities referred to in subsection 12(1)(b) are owned both of record and beneficially, of record only, or beneficially only.
 - (d) The percentages of each class of securities known by the Issuer to be owned.
- (2) If the Issuer is requalifying following a fundamental change or has proposed an acquisition, amalgamation, merger, reorganization or arrangement, indicate, to the extent known, the holding of each person of company described in paragraph (1) that will exist after giving effect to the transaction.
- (3) If, to the knowledge of the Issuer, more than 10 per cent of any class of voting securities of the Issuer is held, or is to be held, subject to any voting trust or other similar agreement, disclose, to the extent known, the designation of the securities, the number or amount of the securities held or to be held subject to the agreement and the duration of the agreement. State the names and addresses of the voting trustees and outline briefly their voting rights and other powers under the agreement.
- (4) If, to the knowledge of the Issuer, any principal shareholder is an associate or affiliate of another person or company named as a principal shareholder, disclose, to the extent known, the material facts of the relationship, including any basis for influence over the Issuer held by the person or company other than the holding of voting securities of the Issuer.
- (5) In addition to the above, include in a footnote to the table, the required calculation(s) on a fully-diluted basis.

Instruction: If a company, partnership, trust or other unincorporated entity is a principal shareholder of an Issuer, disclose, to the extent known, the name of each individual who, through ownership of or control or direction over the securities of the company or membership in the partnership, as the case may be, is a principal shareholder of the company or partnership.

13 Directors and Officers

The names, province and country of residence, positions held with the Company and principal occupations of each of the directors and officers of the Company are as follows:

Name and Province and Country of residence	Position with the Company	Principal Occupation
Florent Baril Quebec, Canada	Director	President, Bumigeme Inc. (mining, geological and metallurgical consulting firm)
David Crevier(*) Quebec, Canada	Chairman of the Board and Director	Partner Colby, Monet, Demers, Delage & Crevier L.L.P. (law firm)
René Dufour Quebec, Canada	Director	Consulting Engineer
Denis Francoeur Quebec, Canada	Director	Chief Executive Officer and Director, Diagem Inc. (mining company) and Professional geoscientist (member of the APGO)
Kamil Khobzi(*) Quebec, Canada	President, Chief Executive Officer and Director	President, Cancor Mines Inc. (consulting engineer)
Gabor Jellinek Quebec, Canada	Director	President, G.J. Holdings Inc. (private investment company)
Kenneth Lester Quebec, Canada	Director	President, Lester Asset Management and Adjunct Professor Faculty of Management McGill University
Ercan Ugur Quebec, Canada	Chief Financial Officer, Secretary-Treasurer and Director	Chief Financial Officer, Secretary-Treasurer, Cancor Mines Inc.

There has been no change in directors and officers of the Company since the last annual meeting of the shareholders held on September 23, 2008.

*Mr. Kamil Khobzi and Mr. David Crevier are President and Secretary respectively of the subsidiaries of Cancor Mines Inc. as described in section 2.3

- 13.1 List the name and municipality of residence of each director and executive officer of the Issuer and indicate their respective positions and offices held with the Issuer and their respective principal occupations within the five preceding years.

Instruction: If, during the period, a director or officer has held more than one position with the Issuer or the Issuer's controlling shareholder or a subsidiary of the Issuer, state only the current position held.

- 13.2 State the period or periods during which each director has served as a director and when his or her term of office will expire.
- 13.3 State the number and percentage of securities of each class of voting securities of the Issuer or any of its subsidiaries beneficially owned, directly or indirectly, or over which control or direction is exercised by all directors and executive officers of the Issuer as a group.

Instruction: Securities of subsidiaries that are beneficially owned, directly or indirectly, or over which control or direction is exercised by directors or executive officers through ownership or control or direction over securities of the Issuer do not need to be included.

- 13.4 Disclose the board committees of the Issuer and identify the members of each committee.
- 13.5 If the principal occupation of a director or officer of the Issuer is acting as an officer of a person or company other than the Issuer, disclose the fact and state the principal business of the person or company.
- 13.6 If a director or officer of the Issuer or a shareholder holding a sufficient number of securities of the Issuer to affect materially the control of the Issuer, is, or within 10 years before the date of the Listing Statement has been, a director or officer of any other Issuer that, while that person was acting in that capacity,
- (a) was the subject of a cease trade or similar order, or an order that denied the other Issuer access to any exemptions under Ontario securities law, for a period of more than 30 consecutive days, state the fact and describe the basis on which the order was made and whether the order is still in effect; or
 - (b) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, state the fact.
- 13.7 Describe the penalties or sanctions imposed and the grounds on which they were imposed or the terms of the settlement agreement and the circumstances that gave rise to the settlement agreement, if a director or officer of the Issuer, or a shareholder holding sufficient securities of the Issuer to affect materially the control of the Issuer, has
- (a) been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority; or
 - (b) been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.
- 13.8 If a director or officer of the Issuer, or a shareholder holding sufficient securities of the Issuer to affect materially the control of the Issuer, or a personal holding company of any such persons has, within the 10 years before the date of the Listing Statement, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director or officer, state the fact.
- 13.9 Disclose particulars of existing or potential material conflicts of interest between the Issuer or a subsidiary of the Issuer and a director or officer of the Issuer or a subsidiary of the Issuer.

13.10 Management — In addition to the above provide the following information for each member of management:

- (a) state the individual's name, age, position and responsibilities with the Issuer and relevant educational background,
- (b) state whether the individual works full time for the Issuer or what proportion of the individual's time will be devoted to the Issuer,
- (c) state whether the individual is an employee or independent contractor of the Issuer,
- (d) state the individual's principal occupations or employment during the five years prior to the date of the Listing Statement, disclosing with respect to each organization as of the time such occupation or employment was carried on:
 - (i) its name and principal business;
 - (ii) if applicable, that the organization was an affiliate of the Issuer;
 - (iii) positions held by the individual; and
 - (iv) whether it is still carrying on business, if known to the individual;
- (e) describe the individual's experience in the Issuer's industry; and
- (f) state whether the individual has entered into a non-competition or non-disclosure agreement with the Issuer.

Instruction:

- (1) For purposes of this Item "management" means all directors, officers, employees and contractors whose expertise is critical to the Issuer, its subsidiaries and proposed subsidiaries in providing the Issuer with a reasonable opportunity to achieve its stated business objectives.
- (2) The description of the principal occupation of a member of management must be specific. The terms "businessman" or "entrepreneur" are not sufficiently specific.

14. Capitalization

14.1 Prepare and file the following chart for each class of securities to be listed:

Issued Capital

	<u>Number of Securities (non-diluted)</u>	<u>Number of Securities (fully- diluted)</u>	<u>% of Issued (non- diluted)</u>	<u>% of Issued (fully diluted)</u>
<u>Public Float</u>				
Total outstanding (A)				
Held by Related Persons or employees of the Issuer or Related Person of the Issuer, or by persons or companies who beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer (or who would beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer upon exercise or conversion of other securities held) (B)				
Total Public Float (A-B)				

Freely-Tradeable Float

Number of outstanding securities subject to resale restrictions, including restrictions imposed by pooling or other arrangements or in a shareholder agreement and securities held by control block holders (C)

Total Tradeable Float (A-C)

Public Securityholders (Registered)

Instruction: For the purposes of this report, "public securityholders" are persons other than persons enumerated in section (B) of the previous chart. List registered holders only.

Class of Security

<u>Size of Holding</u>	<u>Number of holders</u>	<u>Total number of securities</u>
1 – 99 securities	0	0
100 – 499 securities	1	495
500 – 999 securities	23	11,500
1,000 – 4,999 securities	4	30,425
5,000 or more securities	47	47,518,781
	88	47,595,826

Public Securityholders (Beneficial)

Instruction: Include (i) beneficial holders holding securities in their own name as registered shareholders; and (ii) beneficial holders holding securities through an intermediary where the Issuer has been given written confirmation of shareholdings. For the purposes of this section, it is sufficient if the intermediary provides a breakdown by number of beneficial holders for each line item below; names and holdings of specific beneficial holders do not have to be disclosed. If an intermediary or intermediaries will not provide details of beneficial holders, give the aggregate position of all such intermediaries in the last line.

Class of Security

<u>Size of Holding</u>	<u>Number of holders</u>	<u>Total number of securities</u>
1 – 99 securities	_____	_____
100 – 499 securities	_____	_____
500 – 999 securities	_____	_____
1,000 – 1,999 securities	_____	_____
2,000 – 2,999 securities	_____	_____
3,000 – 3,999 securities	_____	_____
4,000 – 4,999 securities	_____	_____
5,000 or more securities	_____	_____
Unable to confirm	_____	_____

Non-Public Securityholders (Registered)

Instruction: For the purposes of this report, "non-public securityholders" are persons enumerated in section (B) of the issued capital chart.

Class of Security

<u>Size of Holding</u>	<u>Number of holders</u>	<u>Total number of securities</u>
1 – 99 securities	_____	_____
100 – 499 securities	_____	_____
500 – 999 securities	_____	_____
1,000 – 1,999 securities	_____	_____
2,000 – 2,999 securities	_____	_____
3,000 – 3,999 securities	_____	_____
4,000 – 4,999 securities	_____	_____

5,000 or more securities

- 14.2 Provide the following details for any securities convertible or exchangeable into any class of listed securities

Description of Security (include conversion / exercise terms, including conversion / exercise price)	Number of convertible / exchangeable securities outstanding	Number of listed securities issuable upon conversion / exercise

- 14.3 Provide details of any listed securities reserved for issuance that are not included in section 14.2.

15. Executive Compensation

- 15.1 Attach a Statement of Executive Compensation from Form 40 of Regulation 1015 of the Revised Regulations of Ontario, 1990 or any successor instrument and describe any intention to make any material changes to that compensation.
- 15.2 Exception — Despite Item 15.1, the disclosure required under Items V, VIII, IX and X of Form 40 may be omitted.

16. Indebtedness of Directors and Executive Officers

This question is not applicable to the company.

- 16.1 (1) Disclose in substantially the following tabular form all indebtedness (other than routine indebtedness), and the other details prescribed in paragraph (2), for each individual who is, or at any time during the most recently completed financial year of the Issuer was, a director or executive officer of the Issuer, and each associate of such an individual,
- (a) who is indebted to the Issuer or a subsidiary of the Issuer; or
 - (b) whose indebtedness to another entity is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Issuer or a subsidiary of the Issuer.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Name and Principal Position	Involvement of Issuer or Subsidiary	Largest Amount Outstanding During [Last Completed Financial Year] (\$) (c)	Amount Outstanding as at [current date] (\$) (d)	Financially Assisted Securities Purchases During [Last Completed Financial Year] (#) (e)	Security for Indebtedness
(a)	(b)	(c)	(d)	(e)	(f)

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16.2 Include the following in the table required under paragraph 16.1:

- (a) The name of the borrower (column (a)).
- (b) If the borrower is a director or executive officer, the principal position of the borrower; if the borrower was, during the year, but no longer is a director or executive officer, include a statement to that effect; if the borrower is included as an associate of a director or executive officer, describe briefly the relationship of the borrower to any individual who is or, during the year, was a director or executive officer, name that individual and provide the information that would be required under this subparagraph for that individual if he or she was the borrower (column (a)).
- (c) Whether the Issuer or a subsidiary of the Issuer is the lender or the provider of a guarantee, support agreement, letter of credit or similar arrangement or understanding (column (b)).
- (d) The largest aggregate amount of the indebtedness outstanding at any time during the last completed financial year (column (c)).
- (e) The aggregate amount of the indebtedness outstanding as at a specified date not more than 30 days before the date of Listing Statement (column (d)).
- (f) If the indebtedness was incurred to purchase securities of the Issuer or of a subsidiary of the Issuer, separately for each class of securities the aggregate number of securities purchased during the last completed financial year with the financial assistance (column (e)).
- (g) The security, if any, provided to the Issuer, a subsidiary of the Issuer or the other entity for the indebtedness (column (f)).

16.3 Disclose in the introduction to the table required under paragraph (1) the aggregate indebtedness of all officers, directors, employees, and former officers, directors and employees of the Issuer or a subsidiary of the Issuer outstanding as at a specified date not more than 30 days before the date of the Listing Statement, that is owed to

- (a) the Issuer or a subsidiary of the Issuer; or
- (b) another entity if the indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Issuer or any of its subsidiaries.

16.4 Disclose in a footnote to, or a narrative accompanying, the table required under paragraph (1)

- (a) the material terms of the indebtedness and, if applicable, of each guarantee, support agreement, letter of credit or other similar arrangement or understanding, including the term to maturity, rate of interest and any understanding, agreement or intention to limit recourse, and the nature of the transaction in which the indebtedness was incurred;

- (b) any material adjustment or amendment made to the terms of the indebtedness and, if applicable, the guarantee, support agreement, letter of credit or similar arrangement or understanding; and
- (c) the class of the securities purchased with financial assistance from the Issuer or held as security for the indebtedness and, if the class of securities is not publicly traded, all material terms of the securities.

Instructions:

- (1) For purposes of this item, the following interpretation applies to the term "routine indebtedness":
 - (a) A loan, whether or not in the ordinary course of business, is considered as routine indebtedness if made on terms, including terms relating to interest rate and security, no more favourable to the borrower than the terms on which loans are made by the Issuer to employees generally unless the amount at any time during the last completed financial year remaining unpaid under the loans to any one director or executive officer together with his or her associates exceeds \$25,000, in which case the indebtedness is not routine.
 - (b) A loan made by an Issuer to a director or executive officer, whether or not the Issuer makes loans in the ordinary course of business, is routine indebtedness if
 - (i) the borrower is a full-time employee of the Issuer or a subsidiary of the Issuer;
 - (ii) the loan is fully secured against the residence of the borrower; and
 - (iii) the amount of the loan does not exceed the annual aggregate salary of the borrower from the Issuer and its subsidiaries.
 - (c) If the Issuer makes loans in the ordinary course of business, a loan to a person or company other than a full-time employee of the Issuer or of a subsidiary of the Issuer is routine indebtedness, if the loan
 - (i) is made on substantially the same terms, including terms relating to interest rate and security, as are available when a loan is made to other customers of the Issuer with comparable credit ratings; and
 - (ii) involves no greater than usual risks of collectibility.
 - (d) Indebtedness for purchases made on usual trade terms, for ordinary travel or expense advances or for loans or advances made for similar purposes is routine indebtedness if the repayment arrangements are in accordance with usual commercial practice.
- (2) For purposes of this item, "support agreement" includes an agreement to provide assistance in the maintenance or servicing of any indebtedness and an agreement to provide compensation for the purpose of maintaining or servicing any indebtedness of the borrower.
- (3) No disclosure need be made under this item of indebtedness that has been entirely repaid on or before the date of the Listing Statement.

17 Risk Factors

- 17.1 Describe the risk factors material to the Issuer that a reasonable investor would consider relevant to an investment in the Issuer, such as cash flow and liquidity problems, if any, experience of management, the general risks inherent in the business carried on by the Issuer, environmental and health risks, reliance on key personnel, the arbitrary establishment of the offering price, regulatory constraints, economic or political conditions and financial history and any other matter that in the opinion of the Issuer would be most likely to influence the investor's decision to purchase, hold or sell the Issuer's securities. Risks should be disclosed in the order of their seriousness in the opinion of the Issuer.

Competition

The mining industry is extremely competitive in every aspect. Cancor competes with many mining companies, including well-established large companies with substantial capacity, as well as financial and technical resources that are superior to the Company's. Competition could affect the Company's ability to acquire productive properties, or its future exploration plans.

Risks Inherent in Mineral Exploration

The Company is not in production stage in any property at present, and its potential success depends on its ability to generate revenue from its properties.

The discovery of mining fields depends on a variety of factors, including the professional qualifications of the personnel who are carrying out the exploration. Once discovered, the commercial viability of a mineral deposit depends on several other factors, including the specific characteristics of the deposit, such as its dimensions, grade, and the proximity of infrastructures, as well as metal prices. Most of these factors are beyond the Company's control. In addition, a number of years may go by between the discovery of a deposit and its commercial exploitation. The Company's exploration and exploitation activities are also subject to other inherent risks, including environmental risks, industrial accidents, unexpected or unusual geological formations, floods, and other risks. There is no guarantee that economically exploitable deposits will be discovered on the Company's properties.

Impact of Regulations and Market Conditions

Mining operations are subject to government regulations. Operations can be affected to varying degrees by these regulations, including restrictions on production, price controls, income tax increases, the expropriation of properties, environmental controls, or a change in the conditions under which minerals can be sold. There may be an oversupply of certain minerals from time to time as a result of a shortage of demand and export restrictions. The sale of metals depends on many factors that are beyond the Company's control. These factors include market fluctuations, as well as government regulations pertaining to prices, income taxes, royalties, production quotas, imports, and exports. The impact of these factors cannot be estimated precisely.

Risks of Legal Action

The Company could be held liable for pollution, or be exposed to other risks against which it cannot be insured, or it might choose not to obtain insurance due to the high cost of premiums, or for other reasons. The sums paid for this could result in a loss of Company's assets.

Financial Resources

If the Company discovers an exploitable deposit, at present it does not have sufficient financial means to bring a mine to the production stage. Considering the fact that the Company does not have any properties with proven reserves, and in light of the risk factors mentioned above, there is only a small probability that the Company will earn a profit in the immediate future.

Conflicts of Interest

Some directors and officers of the Company are also directors and officers of other companies engaged in the exploration, development, and exploitation of natural resources, which could potentially lead to conflicts of interest. Any decision made by such a director or officer that affects the Company will be in accordance with their duty and obligation to act fairly and in good faith toward the Company and toward those other companies. Furthermore, these directors and officers should make full disclosure, and will abstain from voting on any issue that involves a potential conflict of interest.

18. Promoters

Instruction: In this Part, "promoter" includes any person performing Investor Relations Activities (as defined in the CNSX Policies) for the Issuer.

- 18.1 For a person or company that is, or has been within the two years immediately preceding the date of the Listing Statement, a promoter of the Issuer or of a subsidiary of the Issuer state
- (a) the person or company's name;
 - (b) the number and percentage of each class of voting securities and equity securities of the Issuer or any of its subsidiaries beneficially owned, directly or indirectly, or over which control is exercised;
 - (c) the nature and amount of anything of value, including money, property, contracts, options or rights of any kind received or to be received by the promoter directly or indirectly from the Issuer or from a subsidiary of the Issuer, and the nature and amount of any assets, services or other consideration therefor received or to be received by the Issuer or a subsidiary of the Issuer; and
 - (d) for an asset acquired within the two years before the date of the Listing Statement or thereafter, or to be acquired, by the Issuer or by a subsidiary of the Issuer from a promoter
 - (i) the consideration paid or to be paid for the asset and the method by which the consideration has been or will be determined,
 - (ii) the person or company making the determination referred to in subparagraph (i) and the person or company's relationship with the Issuer, the promoter, or an associate or affiliate of the Issuer or of the promoter, and
 - (iii) the date that the asset was acquired by the promoter and the cost of the asset to the promoter.
- 18.2 If a promoter or past promoter referred to in paragraph (1) has been a director, officer or promoter of any person or company during the 10 years ending on the date of Listing Statement, that
- (a) was the subject of a cease trade or similar order, or an order that denied the person or company access to any exemptions under Ontario securities law, for a period of more than 30 consecutive days, state the fact and describe the basis on which the order was made and whether the order is still in effect; or
 - (b) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, state the fact.
- 18.3 Describe the penalties or sanctions imposed and the grounds on which they were imposed or the terms of the settlement agreement and the circumstances that gave rise to the settlement agreement, if a promoter or past promoter referred to in paragraph (1) has

- (a) been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority; or
- (b) been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor in making an investment decision.

18.4 If a promoter or past promoter referred to in paragraph (1), or a personal holding company of such promoter, has, within the 10 years before the date of the Listing Statement, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director or officer, state the fact.

19. Legal Proceedings

This question does not apply to the issuer

19.1 Describe any legal proceedings material to the Issuer to which the Issuer or a subsidiary of the Issuer is a party or of which any of their respective property is the subject matter and any such proceedings known to the Issuer to be contemplated, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

Instruction: No information need be given with respect to any proceeding that involves primarily a claim for damages if the amount involved, exclusive of interest and costs, does not exceed 10 per cent of the current assets of the Issuer and its subsidiaries on a consolidated basis. However, if any proceeding presents in large degree the same legal and factual issues as other proceedings pending or known to be contemplated, the amount involved in the other proceedings shall be included in computing the percentage.

20. Interest of Management and Others in Material Transactions

This question does not apply to the issuer

20.1 Describe, and state the approximate amount of, any material interest, direct or indirect, of any of the following persons or companies in any transaction within the three years before the date of the Listing Statement, or in any proposed transaction, that has materially affected or will materially affect the Issuer or a subsidiary of the Issuer:

- (a) any director or executive officer of the Issuer.
- (b) a security holder disclosed in the Listing Statement as a principal shareholder.
- (c) an associate or affiliate of any of the persons or companies referred to in paragraphs 1 or 2.

Instruction:

(1) The materiality of an interest is to be determined on the basis of the significance of the information to investors in light of all the circumstances of the particular case. The importance of the interest to the person having the interest, the relationship of the parties to the transaction with each other and the amount involved are among the factors to be considered in determining the significance of the information to investors.

- (2) Give a brief description of the material transaction. Include the name of each person or company whose interest in any transaction is described and the nature of the relationship to the Issuer.
- (3) For any transaction involving the purchase of assets by or sale of assets to the Issuer or a subsidiary of the Issuer, state the cost of the assets to the purchaser, and the cost of the assets to the seller if acquired by the seller within three years before the transaction.
- (4) This item does not apply to any interest arising from the ownership of securities of the Issuer if the security holder receives no extra or special benefit or advantage not shared on an equal basis by all other holders of the same class of securities or all other holders of the same class of securities who are resident in Canada.
- (5) Information must be included as to any material underwriting discounts or commissions upon the sale of securities by the Issuer if any of the specified persons or companies were or are to be an underwriter or are associates, affiliates or partners of a person or company that was or is to be an underwriter.
- (6) No information need be given in answer to this item as to a transaction, or an interest in a transaction, if
 - (a) the rates or charges involved in the transaction are fixed by law or determined by competitive bids;
 - (b) the interest of a specified person or company in the transaction is solely that of a director of another company that is a party to the transaction;
 - (c) the transaction involves services as a bank or other depository of funds, a transfer agent, registrar, trustee under a trust indenture or other similar services; or
 - (d) the transaction does not involve remuneration for services and the interest of the specified person or company arose from the beneficial ownership, direct or indirect, of less than 10 per cent of any class of equity securities of another company that is party to the transaction and the transaction is in the ordinary course of business of the Issuer or its subsidiaries.
- (7) Describe all transactions not excluded above that involve remuneration (including an issuance of securities), directly or indirectly, to any of the specified persons or companies for services in any capacity unless the interest of the person or company arises solely from the beneficial ownership, direct or indirect, of less than 10 per cent of any class of equity securities of another company furnishing the services to the Issuer or its subsidiaries.

21. Auditors, Transfer Agents and Registrars

**KPMG
Computershare**

- 21.1 State the name and address of the auditor of the Issuer.

**KPMG LLP
Suite 1500
600, de Maisonneuve Blvd West
Montreal, QC H3A 0A3**

- 21.2 State the names of the Issuer's transfer agent(s) and registrar(s) and the location (by municipalities) of the register(s) of transfers of that class of shares.

**Transfer agent:
Computershare Trust Company of Canada
1500 University, 7th Floor
Montreal, Quebec H3A 3S8
Canada**

Account Manager: Mr. Flavio Moroso

Registrar:
Computershare Trust Company of Canada
100 University Avenue 9 th Floor
Toronto, Ontario
M5J 2Y1

22. Material Contracts

See section 3.1

- 22.1 Give particulars of every material contract, other than contracts entered into in the ordinary course of business, that was entered into within the two years before the date of Listing Statement by the Issuer or a subsidiary of the Issuer.

Instructions:

- (1) The term "material contract" for this purpose means a contract that can reasonably be regarded as material to a proposed investor in the securities being distributed and may in some circumstances include contracts with a person or company providing the Issuer with promotional or investor relations services.
- (2) Set out a complete list of all material contracts, indicating those that are disclosed elsewhere in Listing Statement and provide particulars about those material contracts for which particulars are not given elsewhere in the Listing Statement.
- (3) Particulars of contracts should include the dates of, parties to, consideration provided for in, and general nature of, the contracts.

- 22.2 If applicable, attach a copy of any co-tenancy, unitholders' or limited partnership agreement.

23 Interest of Experts

This question does not apply to the issuer

- 23.1 Disclose all direct or indirect interests in the property of the Issuer or of a Related Person of the Issuer received or to be received by a person or company whose profession or business gives authority to a statement made by the person or company and who is named as having prepared or certified a part of the Listing Statement or prepared or certified a report or valuation described or included in the Listing Statement.
- 23.2 Disclose the beneficial ownership, direct or indirect, by a person or company referred to in Item 23.1 of any securities of the issuer or any Related Person of the issuer.
- 23.3 For the purpose of Item 23.2, if the ownership is less than one per cent, a general statement to that effect shall be sufficient.
- 23.4 If a person, or a director, officer or employee of a person or company referred to in Item 23.1 is or is expected to be elected, appointed or employed as a director, officer or employee of the issuer or of any associate or affiliate of the issuer, disclose the fact or expectation.

24. Other Material Facts

See section 3.1

- 24.1 Give particulars of any material facts about the Issuer and its securities that are not disclosed under the preceding items and are necessary in order for the Listing Statement to contain full, true and plain disclosure of all material facts relating to the Issuer and its securities.

25. Financial Statements

See attached 2006, 2007, 2008 audited financial statements

- 25.1 Provide the following audited financial statement for the Issuer:

- (a) Copies of all financial statements including the auditor's reports required to be prepared and filed under applicable securities legislation for the preceding three years as if the issuer were subject to such law; and
- (b) a copy of financial statements for any completed interim period of the current fiscal year.

- 25.2 For Issuers re-qualifying for listing following a fundamental change provide

- (a) the information required in Items 5.1 to 5.3 for the target;
- (b) financial statement for the target prepared in accordance with the requirements of Parts 4,5,6,7 8 and 9 of OSC Rule 41-501 as if the target were the Issuer;
- (c) pro-forma consolidated financial statements for the New Issuer giving effect to the transaction for:
 - (i) the last full fiscal year of the Issuer and
 - (ii) any completed interim period of the current fiscal year.

The first certificate below must be signed by the CEO, CFO, any person or company who is a promoter of the Issuer and two directors of the Issuer. In the case of an Issuer re-qualifying following a fundamental change, the second certificate must also be signed by the CEO, CFO, any person or company who is a promoter of the target and two directors of the target.

CERTIFICATE OF THE ISSUER

Pursuant to a resolution duly passed by its Board of Directors, MINES CANCOR INC/ CANCOR MINES INC., hereby applies for the listing of the above mentioned securities on CNSX. The foregoing contains full, true and plain disclosure of all material information relating to (full legal name of the Issuer). It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at MONTREAL

this 27TH day of MARCH, 2009.



KAMIL KHOBZI (Chief Executive Officer)



ERCAN UGUR (Chief Financial Officer)



DAVID CREVIER (Director)

Promoter (if applicable)



KENNETH LESTER (Director)

[print or type names beneath signatures]

CERTIFICATE OF THE TARGET

The foregoing contains full, true and plain disclosure of all material information relating to (full legal name of the target). It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at MONTREAL

this 27TH day of MARCH, 2009.



KAMIL KHOBZI (Chief Executive Officer)



ERCAN UGUR (Chief Financial Officer)



DAVID CREVIER (Director)

Promoter (if applicable)



KENNETH LESTER (Director)

[print or type names beneath signatures]