



**VENTANA GOLD CORP.**

**ANNUAL INFORMATION FORM  
("AIF")**

**of**

**VENTANA GOLD CORP.**

**(the "Company" or "Ventana")**

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**For the Year Ended June 30, 2008**

**Dated: October 31, 2008**

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## **PRELIMINARY NOTES**

### **Effective Date of Information**

This AIF is dated October 27, 2008, and unless otherwise indicated, the information contained herein is current as of such date.

All financial information in this AIF is prepared in accordance with accounting principles generally accepted in Canada (“**Canadian GAAP**”).

### **Currency**

All dollar amounts are expressed in Canadian dollars unless otherwise indicated.

### **Forward Looking Statements**

Certain statements included or incorporated by reference in this AIF, including information as to the future financial or operating performance of the Company, and its projects, constitute forward-looking statements. The words “believe”, “expect”, “anticipate”, “contemplate”, “target”, “plan”, “intends”, “continue”, “budget”, “estimate”, “may”, “will”, “schedule”, and similar expressions identify forward-looking statements. Forward-looking statements include, among other things, statements regarding targets and results including drill results indicating gold grades and thickness of the core intercept. Forward-looking statements are based upon a number of estimates and assumptions made by management of the Company in light of its experience and perception of historical trends, current conditions and expected future developments, as well as other factors that management believes are appropriate in the circumstances. While these estimates and assumptions are considered reasonable by the Company, they are inherently subject to significant business, economic, competitive, political and social uncertainties and contingencies. Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results and the performance of achievements of the Company to be materially different from future results and achievements expressed or implied by such forward-looking statements, which speak only as of the date the statements were made. Such factors include, among other things, risks relating to additional funding requirements, exploration, development and operating risks, limited experience with development-stage mining operations, dependence on one principal exploration stage property, political and foreign risk, uninsurable risks, competition, production risks, regulatory restrictions, including environmental regulation and liability, currency fluctuations, potential title disputes and dependence on key employees. These factors and others that could affect Ventana’s forward-looking statements are discussed in greater detail in this AIF under “Risk Factors” and in the Company’s Management Discussion and Analysis (“MD&A”) for the fiscal year ended June 30, 2007 in the section headed “Risks and Uncertainties”. Investors are cautioned that forward-looking statements are not guarantees of future performance and, accordingly, investors are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty therein. Forward-looking statements are made as of the date of this AIF, or in the case of documents incorporated by reference herein, as of the date of such document, and the Company disclaims any intent or obligation to update publicly such forward-looking statements, whether as a result of new information, future events or results or otherwise.

## **National Instrument 43-101**

Canadian reporting requirements for disclosure of mineral properties are governed by National Instrument 43-101 (“NI 43-101”). The definitions given in NI 43-101 are adopted from those given by the Canadian Institute of Mining Metallurgy and Petroleum.

### **Definitions**

#### **Mineral Reserve**

The term “mineral reserve” refers to the economically mineable part of a measured or indicated mineral resource demonstrated by at least a preliminary feasibility study. The study must include adequate information on mining, processing, metallurgical, economic, and other relevant factors that demonstrate, at the time of reporting, that economic extraction can be justified. A mineral reserve includes diluting materials and allowances for losses that might occur when the material is mined.

#### **Mineral Resource**

The term “mineral resource” refers to a concentration or occurrence of diamonds, natural, solid, inorganic or fossilized organic material including base and precious metals, coal and industrial minerals in or on the Earth’s crust in such form and quantity and of such a grade or quality that it has reasonable prospects for economic extraction. The location, quantity, grade, geological characteristics and continuity of a mineral resource are known, estimated or interpreted from specific geological evidence and knowledge.

#### **Measured Mineral Resource**

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

#### **Indicated Mineral Resource**

The term “indicated mineral resource” refers to that part of a mineral resource for which quantity, grade or quality, densities, shape and physical characteristics can be estimated with a level of confidence sufficient to allow the appropriate application of technical and economic parameters, to support mine planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced

closely enough for geological and grade continuity to be reasonably assumed.

**Inferred Mineral Resource**

The term “inferred mineral resource” refers to that part of a mineral resource for which quantity and grade or quality can be estimated on the basis of geological evidence and limited sampling and reasonably assumed, but not verified, geological and grade continuity. The estimate is based on limited information and sampling gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes.

**Qualified Person**

The term “qualified person” refers to an individual who is an engineer or geoscientist with at least five years of experience in mineral exploration, mine development, or operation or mineral project assessment, or any combination thereof, including experience relevant to the subject matter of the project or technical report and is a member or licensee in good standing of a professional association.

**CORPORATE STRUCTURE**

**Incorporation or Organization of Company**

Ventana Gold Corp. (“**Ventana**” or the “**Company**”) was incorporated under the *Business Corporations Act* (British Columbia) on March 2, 2006. The Company was originally incorporated as Wildcat Silver Corporation and changed its name to Ventana Gold Corp. on May 15, 2006. The Company was a wholly-owned subsidiary of Wildcat Silver Corporation (the “**Parent Co.**”), formerly Comcorp Ventures Inc., a publicly traded company incorporated in British Columbia.

On December 14, 2006, the Company was spun out and distributed to the shareholders of the Parent Co. pursuant to a Plan of Arrangement (the “**Plan of Arrangement**”).

The Company’s principal place of business is located at Suite 400 – 837 West Hastings Street, Vancouver, British Columbia, V6C 3N6 and its registered and records office is at located at Suite 1100 – 888 Dunsmuir Street, Vancouver, British Columbia, V6C 3K4. There is also an operations office located at Carrera 27, No. 36-14, Oficina 312, Centro Empresarial Suramericana, Bucaramanga, Colombia.

The Company is a reporting issuer in British Columbia and Alberta.

**Intercorporate Relationships**

The Company has two subsidiaries: 688287 B.C. Ltd. (the “**BC Company**”) and CVS Explorations Ltda (“**CVS**”). The BC Company is a private company incorporated in British Columbia, Canada, and the Company directly and beneficially owns 100% of its issued and outstanding shares. The BC Company has no restricted shares. CVS is a private company incorporated in Colombia, South America, and the BC Company beneficially owns 100% of the

issued and outstanding quotas (common shares) of CVS (the “**CVS Quotas**”). CVS has no restricted quotas.

## **GENERAL DEVELOPMENT OF THE BUSINESS**

### **History**

The Company was a wholly-owned subsidiary of the Parent Co., a publicly traded company, from the date of incorporation on March 2, 2006 until December 14, 2006, when the Company was spun out and its shares distributed to the shareholders of the Parent Co. pursuant to the Plan of Arrangement. The Plan of Arrangement was approved by the shareholders of the Parent Co. on November 15, 2006 and involved all of the shares of the Company being distributed to the shareholders of the Parent Co. on a one-for-one basis so that at the completion of the transactions contemplated under the Plan of Arrangement, Ventana was no longer a wholly-owned subsidiary of the Parent Co. and continued to hold the Colombian property interests through its indirectly wholly-owned subsidiary, the BC Company. With the completion of the Plan of Arrangement, effective December 14, 2006, shareholders of the Parent Co., as at the effective date, became shareholders of Ventana.

As at the date of this AIF, the Company holds 100% of the mineral rights in the California-Vetas gold exploration property (the “**California-Vetas Property**”) in Colombia, South America and an option to acquire 100% of the mineral rights in the La Bodega gold exploration property in Colombia, South America (the “**La Bodega Property**”), (collectively the “**Colombia Interests**”), held indirectly through its subsidiaries, the BC Company and CVS. The Company also holds an option to acquire 100% of the La Suiza property (licence 124-68) and La Itala property (licence 104-68), both small licences internal to the La Bodega licence.

Agreements for the indirect acquisition of the California-Vetas Property and the La Bodega Property were completed in May 2006.

Pursuant to a share purchase agreement dated May 18, 2006 (the “**CVS Purchase Agreement**”) among the Company, the Parent Co., Augusta Capital Corporation, a British Columbia private company and Augusta Capital (US) Corporation, a Nevada private company (collectively referred to as “**Augusta**”), both of which are wholly-owned by Richard W. Warke, the Company acquired 100% of the issued and outstanding shares of the BC Company, which in turn beneficially owns 100% of the CVS Quotas. CVS has an option to purchase 100% of the mining exploration rights to the La Bodega gold/silver property located in Colombia, South America pursuant to the agreement dated February 8, 2006 entered into between CVS and Sociedad Minera La Bodega Ltda. (the “**La Bodega Agreement**”). See “*Mineral Properties*” for details on this acquisition. CVS subsequently entered into option to purchase agreements to obtain 100% of the mineral rights for the La Suiza property (licence 124-68) and the La Itala property (licence 104-68), two small properties situated internal to the larger La Bodega property. The agreements were entered into on December 20, 2007 and July 1, 2008 respectively, between CVS and Ervin Gelvez Rodriguez.

Pursuant to the CVS Purchase Agreement, the Company acquired the CVS Quotas (through the acquisition of the BC Company) in exchange for Class “A” Special Warrants of the Company, which converted into 3,000,000 common shares of the Company for no additional consideration on the completion of the Plan of Arrangement, and a payment of US\$675,000 to Augusta. In addition,

the Company assumed the option payment obligations of Augusta under the La Bodega Agreement to pay US\$7,000,000 and issue 1,000,000 common shares of the Company to Sociedad Minera La Bodega Ltda over four years.

The Company also agreed to acquire the California-Vetas gold/silver property located in Colombia, South America pursuant to an agreement dated May 18, 2006 between Messrs. Jon Lehmann and Allen Ambrose, Ventana and the Parent Co. (the “**California-Vetas Agreement**”).

Pursuant to the California-Vetas Agreement, the Company agreed to acquire the California-Vetas Property for \$75,000 in cash, work commitments of \$250,000 over two years, which have been satisfied as of the date of this AIF, and the issuance by the Parent Co. of 3,000,000 Class “A” Special Warrants to Messrs. Jon Lehmann and Allen Ambrose. These Class “A” Special Warrants converted into common shares of the Company upon completion of the Plan of Arrangement for no additional consideration. CVS has completed work commitments of US\$250,000.

The 6,000,000 common shares of the Company issued on the exercise of the Class “A” Special Warrants, are subject to voluntary pooling arrangements pursuant to which such shares will be released from the pool over three years commencing May 18, 2006, subject to accelerated release in certain circumstances. The shares will be released as follows: 10% on the effective date of the agreements (which is May 18, 2006) and 15% each 6 months thereafter. All shares will be released after 36 months.

In April 2007 and April 2008, the Company completed private placements of units for \$5,775,000 and \$450,000 respectively. Proceeds from these placements allowed the Company to fund acquisition payments and exploration on the Company’s Colombian Interests.

In July 2008, the Company raised an aggregate of \$11,000,000 by way of a brokered private placement of 5,000,000 subscription receipts at \$1.60 per subscription receipt and a non-brokered private placement of 1,875,000 units at \$1.60 per unit. Proceeds of these placements will be used to fund further exploration and development of the Colombia Interests and for general corporate purposes. Refer to the table under “*Marketable Securities – Prior Sales*” for details regarding the Company’s private placements.

Ventana’s exploration activities and all drilling to date has been concentrated on its 184.9 hectare La Bodega Property situated immediately adjacent and along strike to Greystar Resources’ Angostura gold deposit. The La Bodega Property has never been drilled prior to Ventana’s acquisition. Ventana initiated diamond core drilling at La Bodega in August 2006 and to date has drilled 91 drill holes totalling 23,000 meters. Assay results with completed Quality Assurance/Quality Content (“**QA/QC**”) verification have been compiled for the first 42 drill holes, which were reported by the Company on June 19, 2008. Assay results of subsequent drill holes will be reported as QA/QC protocols are completed and verified.

Drilling to date at La Bodega has confirmed the presence of significant gold mineralization with potential ore grades over widths ranging from 30 to 150 metres along an aggregate strike distance of 600 metres and depths of up to 300 metres. The limits of the gold mineralization discovered thus far at La Bodega have yet to be delineated and it remains open to further expansion. Additional drill targets have also been developed on the La Bodega Property that may provide further expansion potential.

In addition, the Company has completed a Phase I regional geochemical survey over its extensive land position in the California-Vetas district. The survey included the collection of 233 stream sediment samples, which have now been compiled. In addition, 1,190 soil samples were collected at 100-meter intervals along ridge crests throughout the property, the results of which are also pending. Reconnaissance geologic mapping and observations during the geochemical sampling program indicated several potential target areas, which include historic mine workings, for more detailed follow-up work. The stream sediment and soil sampling has generated numerous anomalous areas of interest that may provide future resource additions.

## **THE BUSINESS**

### **General**

The Company is engaged in the acquisition, exploration and if warranted, development of natural mineral resource properties. The Company does not produce, develop or sell any products at this time. All of the Company's properties are in the exploratory stage and are thus non-producing and consequently do not generate any operating income or cash flows from operations. Currently the Company holds the La Bodega and California-Vetas Properties located Colombia, South America.

### ***Specialized Skill and Knowledge***

Various aspects of the Company's business require specialized skills and knowledge. Such skills and knowledge include the areas of permitting, geology, drilling, metallurgy, logistical planning and implementation of exploration programs as well as finance and accounting. While recent increased activity in the resource mining industry has made it more difficult to locate competent employees and consultants in such fields, particularly skilled and experienced contract drilling personnel, the Company has found that it can locate and retain such employees and consultants and believes it will continue to be able to do so. It is possible, however, that delays or increased costs may be experienced in order to proceed with its planned business activities.

### ***Competitive Conditions***

Competition in the mineral exploration industry is intense. The Company competes with other mining companies, many of which have greater financial resources and technical facilities for the acquisition and development of, and production from, mineral concessions, claims, leases and other interests, as well as for the recruitment and retention of qualified employees and consultants.

### ***Business Cycles***

The mining business is subject to mineral price cycles. The marketability of minerals and mineral concentrates is also affected by worldwide economic cycles.

### ***Economic Dependence***

The Company's business is not substantially dependent on any contract such as a contract to sell the major part of its products or services or to purchase the major part of its requirements for goods, services or raw materials.

## ***Environmental***

The Company's properties and activities are in compliance and up to date with its environmental obligations. The Company's current exploration and in particular, drilling activities, have ongoing reclamation obligations to mitigate minor surface disturbances. Small mining activities conducted by the underlying owners of the La Bodega Property are in compliance with the requirements and ongoing monitoring of the Corporacion para la Defensa de la Meseta de Bucaramanga ("CDMB"), the regional environmental authority, and as such there are no material environmental liabilities. The California-Vetas Property contains some scattered, abandoned small mines, however no significant milling operations were conducted and no material environmental liabilities are present.

The California-Vetas mining district has no presence of indigenous peoples, national parks, historical monuments or other areas where mining is prohibited or restricted. The land use classification of the La Bodega Property is designated for mining. Exploration activities by the Company are conducted in compliance with established environmental best practices guidelines set out in the national mining code and compliance is monitored by the CDMB. As the properties reach a stage of commercial viability, the Company will be required to complete an environmental impact study and obtain either an environmental management plan approved by the CDMB or an environmental licence approved by the national Ministry of Environment prior to entering into commercial production.

Environmental regulations relating to mining in Colombia are similar in scope to other developing countries. The associated effects of environmental protection and compliance on capital expenditures and future earnings are estimated to have an average 5 to 10% burden.

## ***Employees***

As at the date of this AIF, the Company had 8 employees in the Vancouver, British Columbia office, 7 employees in the Bucaramanga, Colombia office, and 45 employees at the California, Colombia project site. As operations require, the Company also retains geologists, engineers, geophysicists and other consultants on a fee for service basis. Certain Vancouver office employees also have responsibilities with other publicly traded companies, and as such the Company pays a pro-rata portion of the costs of such employees.

## **Risk Factors**

An investment in the Company's common shares is highly speculative and subject to a number of risks and uncertainties. Only those persons who can bear the risk of the entire loss of their investment should participate. An investor should carefully consider the risks described below and the other information filed with the Canadian securities regulators before investing in the Company's common shares. The risks described below are not the only ones faced. Additional risks that the Company currently believes are immaterial may become important factors that affect the Company's business. If any of the following risks occur, or if others occur, the Company's business, operating results and financial condition could be seriously harmed and investors may lose all of their investment.

***We have a history of losses and anticipate that we will continue to incur losses for the foreseeable future.***

We have historically incurred losses as evidenced by the Consolidated Statements of Operations and Deficit, which can be found on SEDAR at [www.sedar.com](http://www.sedar.com). We have incurred a loss of \$2,189,640 for the fiscal year ended June 30, 2008 (\$732,140 for the year ended June 30, 2007) and have an accumulated deficit of \$3,040,807 for the fiscal year ended June 30, 2008 (\$851,167 for the year ended June 30, 2007).

Our efforts to date are focused on acquiring and exploring mineral properties. Our properties are in the exploration stage and do not have any known mineral reserves. We do not anticipate that we will earn any revenue from our operations unless and until our properties are placed into production, which is not expected to be for several years if at all, or are sold to a third party.

***We have historically depended on distributions of our securities for our funding requirements.***

The principal source of funds available has been and we expect it to continue to be through equity financing. At the date of this AIF and since April 2007, we have raised approximately \$17,225,000 by issuing 8,100,000 common shares, 3,112,500 warrants exercisable at \$1.50, 937,500 warrants exercisable at \$2.25 and 5,000,000 subscription receipts. Current funds will enable the Company to continue operations and meet obligations under its property agreements until the end of 2009, after which further funding will be required. Future equity financing undertaken by us will cause dilution to our existing shareholders.

See “*Market For Securities – Prior Sales*” for the number of outstanding convertible securities at the date of this AIF. The unrestricted resale of outstanding shares from the exercise of dilutive securities may have a depressing effect on the market for our common shares.

***Dependence on two principal exploration stage properties.***

Our operations are currently dependant upon two principal mineral properties, the La Bodega Property and the California-Vetas Property. These properties may never develop into commercially viable ore bodies, which would have a materially adverse affect on our company’s potential mineral resource production, profitability, financial performance and results of operation.

***We have no proven or probable mineral reserves and we may never discover sufficient mineral deposits to justify commercialization of any of our properties.***

We have no proven or probable mineral reserves on our properties, and we have not completed a feasibility study. Therefore, we cannot be certain that minerals will be discovered in sufficient quantities and grade to justify commercial operations. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as size, grade and proximity to infrastructure; metal prices, which are highly cyclical; and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The Company’s La Bodega Property is located adjacent to Greystar Resources Ltd.’s Angostura gold-silver deposit, however, the commercial viability of the La Bodega Property can not be

concluded based on the success of the adjacent property of Greystar Resources Ltd. If we are unable to establish proven and probable mineral reserves in sufficient quantities to justify commercial operations, we will be unable to develop mines and our financial condition and results of operations could be adversely affected.

***We have no history of production and may never place any of our properties into production.***

None of our properties are in commercial production, and we have never recorded any revenues from mining operations. We expect to incur losses unless and until such time as our properties enter into commercial production and generate sufficient revenues to fund our continuing operations. The development of mining operations will require the commitment of substantial resources for operating expenses and capital expenditures, which may increase in subsequent years as needed consultants, personnel and equipment associated with advancing exploration, development and commercial production of our properties are added. The amounts and timing of expenditures will depend on the progress of ongoing exploration and development, the results of consultants' analysis and recommendations, the rate at which operating losses are incurred, the execution of any joint venture agreements with strategic partners, our acquisition of additional properties, and other factors, many of which are beyond our control. We may never generate any revenues or achieve profitability.

***Our exploration activities may not be commercially successful.***

Mineral exploration is highly speculative in nature, involves many risks and is frequently non-productive. Unusual or unexpected geologic formations, and the inability to obtain suitable or adequate machinery, equipment or labor are risks involved in the conduct of exploration programs. We are currently conducting mineral exploration on our properties. The success of mineral exploration is determined in part by the following factors:

- availability of exploration permits;
- the quality of our management and our geological and technical expertise; and
- the capital available for exploration.

Substantial expenditures are required to establish proven and probable reserves through drilling and analysis, to develop metallurgical processes to extract metal, and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Whether a mineral deposit will be commercially viable depends on a number of factors, which include, without limitation, the particular attributes of the deposit, such as size, grade and proximity to infrastructure; metal prices, which fluctuate widely; and government regulations, including, without limitation, regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. We cannot assure you that any reserves or mineralized material acquired or discovered will be in sufficient quantities to justify commercial operations.

***Exploration, development and mining involve a high degree of risk.***

Our operations will be subject to all the hazards and risks normally encountered in the exploration, development and production of base or precious metals, including, without limitation, unusual and unexpected geologic formations, seismic activity, rock bursts, pit-wall failures, cave-ins, flooding and other conditions involved in the drilling and removal of material,

any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and legal liability. Milling operations, if any, are subject to various hazards, including, without limitation, equipment failure and failure of retaining dams around tailings disposal areas, which may result in environmental pollution and legal liability.

### ***Political and Economic Uncertainties***

Our property interest and exploration activities in Colombia are subject to political, economic and other uncertainties. Situations may arise that could have a significant adverse material impact on us. Our property interests and proposed exploration activities in Western Colombia are subject to political, economic and other uncertainties, including the risk of expropriation, nationalization, renegotiation or nullification of existing contracts, mining licenses and permits or other agreements, changes in laws or taxation policies, currency exchange restrictions and fluctuations, changing political conditions and international monetary fluctuations. Future government actions concerning the economy, taxation, or the operation and regulation of nationally important facilities such as mines could have a significant effect on us. Any changes in regulations or shifts in political attitudes are beyond our control and may adversely affect our business. Exploration may be affected in varying degrees by government regulations with respect to restrictions on future exploitation and production, price controls, export controls, foreign exchange controls, income and/or mining taxes, expropriation of property, environmental legislation and mine and/or site safety. No assurances can be given that our plans and operations will not be adversely affected by future developments in Colombia. Colombia is home to South America's largest and longest running insurgency. Any changes in regulations or shifts in political attitudes are beyond the control of the Company and may adversely affect our business.

### ***Government Regulation and Environmental Risks***

We are subject to various governmental regulations and environmental risks and may incur substantial costs to remain in compliance. Our operations are subject to Colombian and local laws and regulations regarding environmental matters, the abstraction of water, and the discharge of mining wastes and materials. Any changes in these laws could affect our operations and economics. Environmental laws and regulations change frequently, and the implementation of new, or the modification of existing, laws or regulations could harm us. We cannot predict how agencies or courts in Colombia will interpret existing laws and regulations or the effect that these adoptions and interpretations may have on our business or financial condition. We may be required to make significant expenditures to comply with governmental laws and regulations.

Any significant mining operations will have some environmental impact, including land and habitat impact, arising from the use of land for mining and related activities, and certain impact on water resources near the project sites, resulting from water use, rock disposal and drainage run-off. No assurances can be given that required approvals will be obtained from regulatory or environmental authorities in a timely manner or at all. While we believe we do not currently have any material environmental obligations, exploration activities may give rise in the future to significant liabilities on our part to the government and third parties and may require us to incur substantial costs of remediation.

Additionally, we do not maintain insurance against environmental risks. As a result, any claims against us may result in liabilities we will not be able to afford, resulting in the failure of our business. Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in exploration operations may be required to compensate those suffering loss or damage by reason of the exploration activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws.

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

***We may be adversely affected by fluctuations in gold and other metal prices.***

The value and price of our common shares, our financial results, and our exploration, development and mining, if any, activities may be significantly adversely affected by declines in the price of gold and silver. Mineral prices fluctuate widely and are affected by numerous factors beyond our control such as interest rates, exchange rates, inflation or deflation, fluctuation in the value of the Colombian Peso and foreign currencies, global and regional supply and demand, and the political and economic conditions of mineral producing countries throughout the world. The price for metals fluctuates in response to many factors beyond anyone's ability to predict. Because mining occurs over a number of years, it may be prudent to continue mining for some periods during which cash flows are temporarily negative for a variety of reasons including a belief that the low price is temporary and/or the greater expense incurred in closing a property permanently.

Mineralized material calculations and life-of-mine plans using significantly lower metal prices could result in material write-downs of our investments in mining properties and increased amortization, reclamation and closure charges should a mine be developed.

In addition to adversely affecting mineralized material estimates declining metal prices can impact operations by requiring a reassessment of the commercial feasibility of a particular project. Such a reassessment may be the result of a management decision related to a particular project. Even if the project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays in development or may interrupt operations, if any, until the reassessment can be completed.

***Title to our properties may be subject to other claims.***

There is a presence of both established and transitory illegal, informal miners on the La Bodega property. The underlying owners are aggressively pursuing available legal means to have the illegal miners removed but there has been no resolution of this issue to date. Under Colombian law the illegal miners do not have any claim to mineral rights but can establish prescriptive

rights to surface dwellings and construction which may need to be purchased if necessary to develop a commercial operation.

Although we believe we have exercised the commercially reasonable due diligence with respect to determining title to properties we own, control or have the right to acquire by option, there is no guarantee that title to such properties will not be challenged or impugned. Our mineral property interests may be subject to prior unrecorded agreements or transfers or native land claims and title may be affected by undetected defects. There may be valid challenges to the title of our properties, which, if successful, could impair development and/or operations. In addition, mineral properties may be leased and may be subject to defects in title.

***We do not and likely will not insure against all risks.***

Our insurance will not cover all the potential risks associated with a mining company's operations. We may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to us or to other companies in the mining industry on acceptable terms. We might also become subject to liability for pollution or other hazards which may not be insured against or which we may elect not to insure against because of premium costs or other reasons. Losses from these events may cause us to incur significant costs that could have a material adverse effect upon its financial condition and results of operations.

***We compete with larger, better capitalized competitors in the mining industry.***

The mining industry is competitive in all of its phases. We face strong competition from other mining companies in connection with the acquisition of properties producing, or capable of producing, base and precious metals. Many of these companies have greater financial resources, operational experience and technical capabilities than us. As a result of this competition, we may be unable to maintain or acquire attractive mining properties on terms it considers acceptable or at all. Consequently, our revenues, operations and financial condition could be materially adversely affected.

***We are dependent on our key personnel.***

Our success depends on our key executives the loss of the services of one or more of such key management personnel could have a material adverse effect on the Company. Our ability to manage its exploration and development activities, and hence our success, will depend in large part on the efforts of the management of the Company. We face intense competition for qualified management personnel, and we cannot be certain that we will be able to attract and retain such personnel.

***Our officers and directors may have potential conflicts of interest***

Our directors and officers may serve as directors and/or officers of other public and private companies and devote a portion of their time to manage other business interests. This may result in certain conflicts of interest. To the extent that such other companies may participate in ventures in which we are also participating, such directors and officers may have a conflict of

interest in negotiating and reaching an agreement with respect to the extent of each company's participation. The laws of Canada require the directors and officers to act honestly, in good faith, and in the best interests of the Company and its shareholders. However, in conflict of interest situations, our directors and officers may owe the same duty to another company and will need to balance the competing obligations and liabilities of their actions. There is no assurance that our needs will receive priority in all cases. From time to time, several companies may participate together in the acquisition, exploration and development of natural resource properties, thereby allowing these companies to: (i) participate in larger programs; (ii) acquire an interest in a greater number of programs; and (iii) reduce their financial exposure with respect to any one program. A particular company may assign, at its cost, all or a portion of its interests in a particular program to another affiliated company due to the financial position of the company making the assignment. In determining whether or not we will participate in a particular program and the interest therein to be acquired by it, it is expected that our directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at the time.

***We provide indemnity and protection to our directors and officers***

Article 21 of our Articles states in part that:

“Subject to the *Business Corporations Act*, the Company must indemnify a director, former director or alternate director of the Company and his or her heirs and legal personal representatives against all eligible penalties to which such person is or may be liable, and the Company must, after the final disposition of an eligible proceeding, pay the expenses actually and reasonably incurred by such person in respect of that proceeding. Each director and alternate director is deemed to have contracted with the Company on the terms of the indemnity contained in this Article 21.2.”

Thus, we may be required to pay amounts to settle any such claims that may arise. The impact of any such possible future indemnity protection cannot be determined at this time.

***We do not intend to pay dividends.***

We have never paid a dividend to our shareholders and we do not intend to pay dividends on our common stock in the foreseeable future. We intend to retain our cash for the continued development of our business.

**MINERAL PROPERTIES**

**The Colombian Properties**

The La Bodega Property is contiguous with the Angostura gold/silver deposit of Greystar Resources Ltd. (“**Greystar**”). Both the La Bodega Property and the California-Vetas Property are grassroots exploration properties and are of interest to the Company because the Company's technical reports prepared under NI 43-101 suggest that the mineralization on the Greystar property could extend into the La Bodega Property. However, while potential exists there are inherent risks – see “Risk Factors”. A technical report in compliance with NI 43-101 dated June 14, 2008 was prepared for the La Bodega Property. A technical report in compliance with

NI 43-101 dated June 14, 2008 was prepared for the California-Vetas Property. Both technical reports are summarized below.

### **La Bodega Property**

The following is an extract of the Summary section of the report entitled “NI 43-101 Technical Report On the La Bodega Property California – Vetas Mining District, Department of Santander, Colombia” dated June 14, 2008 (the “La Bodega Report”), prepared by EurGeol Miller O’Prey, PGeo, in compliance with the requirements of NI 43-101. Additional details regarding the La Bodega Property may be obtained from the La Bodega Report available on SEDAR at [www.sedar.com](http://www.sedar.com), which readers are encouraged to review in its entirety.

The La Bodega Report was prepared at the request of the Company, to provide a summary technical update of exploration activities and results subsequent to a previous technical report on the property by James Reeves, R.P.G. dated April 10, 2006 (available on SEDAR). The La Bodega Report was produced in order to comply with the disclosure requirements set out in NI 43-101 for the Canadian Securities Administrators, and is expressly incorporated by reference into this AIF. The author has made such independent investigations as has been deemed necessary in his professional judgment to be able to reasonably rely on this information.

### ***Ownership***

The La Bodega property consists of 184.9 hectares of exploitation mining concessions located in the Eastern Cordillera of the Andes Mountains in northeast Colombia. In February, 2006, CVS, a 100% owned Colombian subsidiary of the Company, entered into an option agreement with the private Colombian company, Sociedad Minera La Bodega Ltda., to purchase a 100% interest in the principal, 179-hectare La Bodega concession by completing cash and share payments on or before February 6, 2010. CVS has subsequently entered into an option agreement covering the La Suiza property (licence 124-68) and the La Itala property (licence 104-68), two small mining licences situated internal to the main La Bodega concession.

### ***Property Description and Location***

The La Bodega property is situated immediately adjacent to Greystar Resources’ multimillion ounce Angostura Gold deposit and is located in the historic California-Vetas mining district, about 350 kilometres north of the capitol city of Bogota and 40 kilometres northeast of the city of Bucaramanga, the capitol of Santander Department. The property is a polygon centered at approximately 7° 22’ 45” North latitude and 72°54’49” West longitude within the municipality of California and lies six kilometers northeast of the town.

### ***Access, Local Resources and Physiography***

Access to the property from Bucaramanga is by vehicle on paved and unpaved roads, a distance of 55 kilometres to the town of California with the trip taking approximately 2 hours. From the town of California, a single lane dirt road follows the Rio La Baja to the property and footpaths provide additional access within the property. It is located in steep, mountainous terrain at elevations ranging from 2,600 to 3,250 meters above sea level.

The property is situated in the Santander Massif of the eastern cordillera of the Andes. The massif is comprised of Precambrian gneisses, schists, quartzites and migmatites of the Guyana Shield. Intermediate to granitic intrusives of the Santander Plutonic Group were emplaced during a period of uplift in the Jurassic/Triassic. Younger porphyry intrusive bodies common in the immediate areas of mineralization may be as young as Tertiary in age, coincident with Andean uplift. Regional faulting parallels the topographic fabric and locally north-easterly and north-westerly faulting appears to have controlled emplacement of the intrusive rocks and subsequent alteration and mineralization.

### ***History***

Details regarding history including prior ownerships, development of the property and the type, amount, quantity and results of exploration work undertaken by previous owners, and any previous production on the property to the extent known can be found in the La Bodega Report, which is incorporated herein by reference.

### ***Geology and Mineralization***

The property is part of the California-Angostura northeast-trending belt of porphyry-related, high sulfidation epithermal gold-silver occurrences that extends for roughly 11 kilometres from the town of California north-easterly up the Rio La Baja fault zone to the La Alta area at the headwaters of the Rio La Baja. The occurrences are characterized by the association of gold with silver, copper, arsenic, molybdenum and tellurium.

The property has been the site of intermittent, small-scale underground gold mining for over 400 years and currently hosts the producing La Bodega mine, the largest mine in the California area, which processes 10 to 30 tonnes/day. Historic production from the property is unknown but based on the extent of underground workings can be reasonably estimated to be in the area of 50,000 to 75,000 tons.

The most advanced property in the district in terms of modern exploration is Greystar Resources Ltd.'s adjacent Angostura Gold-Silver deposit, which has been subject to ongoing exploration and resource expansion since 1995 and is currently approaching the feasibility study stage of development. The most recent, publicly available NI – 43-101 compliant resource calculation on the Angostura deposit is contained in a January, 2008, Technical Report by Strathcona Mineral Services Ltd. Measured and Indicated resources at Angostura are reported by Strathcona to be 243.3 million tonnes with an average grade of 1.4 g/t Au for 10.2 million contained ounces and Inferred Resources of 77.7 million tonnes with an average grade of 1.4 g/t Au for 3.4 million ounces.

The gold-silver mineralization observed on the La Bodega property appears to be principally controlled by the northeast striking Rio La Baja fault zone. Mineralization occurs within this fault zone in dilation zones and structural intersections as a series of subparallel, sheeted, northeast and east-west striking, north-dipping brecciated and anastomosing silica-pyrite composite veins separated by pervasively quartz-sericite-pyrite altered intrusive rock and gneiss. The apparent width of the vein structures varies from less than one meter for discrete veins to fifty meters or more for composite vein structures. Variable degrees and thickness of

silicification and/or sheeted veining is present enveloping the vein structures. The intervening distance between vein structures ranges from less than one meter to thirty meters or more.

### ***Drilling***

Since March, 2006, Ventana has conducted an extensive exploration program on the property, consisting of soil sampling, rock sampling, geologic mapping geophysics and more than 20,000 metres of core drilling in 84 drill holes. Drilling to date has been concentrated in the 750 X 250 meter initial target area mentioned in the 2006 technical report by Reeves. Results confirm the extension of the Angostura deposit into the La Bodega property and the structurally controlled nature of the mineralization, revealing numerous parallel mineralized structures separated by low grade material.

The main La Bodega zone, immediately adjacent to the Angostura property, has been shown to contain a wide zone of mineralization (up to 150 meters) related to the more extensive quartz monzonite intrusions noted in this area. Selected drill intersects to date (using 0.5 g/t Au lower cut-off with no upper grade cut-off) have included: 106.45m at 7.81 g/t Au in Drill hole LB-001, 154m at 1.65g/t Au in Drill hole LB-012, 117m at 1.5 g/t Au in Drill hole LB-016 and 112m at 3.14 g/t Au in Drill hole LB-023.

Drilling in the La Mascota zone, located approximately 300m to the southwest of the La Bodega zone appears to show a stronger structural control and relation with a narrower quartz monzonite intrusion, however, drill intercepts have typically returned higher grades. Selected results from this zone include: 47m at 7.04 g/t Au in Drill hole LB-004, 27.52m at 8.26 g/t Au in Drill hole LB-006, 27.4m at 17.44 g/t Au in Drill hole LB-036 and 9.15m at 7.12 g/t Au and 4m at 61.2 g/t Au in Drill hole LB-040.

The La Mascota zone remains open to the southwest, where further drilling is planned. To the northeast it also remains open, although it would appear that the 250 metre gap between the La Mascota and La Bodega zones may represent some type of late structural block, which could have offset any mineralization to the north. Due to extremely difficult terrain in this area, it has not been possible to complete the same density of drilling, to try to resolve this issue.

In addition to these two principal zones, limited drilling has been conducted on sub parallel structures, with the aim of verifying surface soil/ geophysical anomalies and artisanal mine workings. Whilst not as well defined as either La Bodega or La Mascota, drilling has proved the existence of additional mineralized structures on the property, which may prove significant in any future resource definition or expansion program.

### ***Exploration***

Based on the currently available information and observations, exploration should continue to focus on better defining the La Bodega and La Mascota zones and the currently existing gap zone between the two, through the completion of a denser drilling grid, whilst continuing to explore the remaining areas of the property, with the aim of identifying additional mineralized zones.

The author finds that based on the dimensions and grades of the mineralization observed in the underground tunnelling and drill core, the geologic similarity to the adjoining Angostura gold-

silver deposit and the current gold and silver price environment that La Bodega is a project of considerable merit and warrants additional exploration to allow definition of an initial resource calculation.

A Phase III exploration program is recommended with at least an additional 6,000 meters of drilling to sufficiently define and model known mineralized zones, preferably on 25 meter grid spacing and the calculation of an initial mineral resource estimate, once results from the drill program have been received and verified. Initial metallurgical and mineralogical studies should be undertaken to evaluate the metallurgical behaviour of the mineralization. At the same time, drill evaluation of a number of other targets on the property, such as Las Mercedes and La Rosa “gap”, in order to allow for later revision of the initial resource calculation at the end of this Phase.

An expenditure of US\$2,575,000 is estimated to be sufficient for the Phase III exploration program.

### **California-Vetas Property**

The following is an extract of the Summary section of the report entitled “Technical Report California-Vetas Property, California-Vetas Mining District, Department of Santander, Colombia” dated June 14, 2008 (the “California-Vetas Report”), prepared by EurGeol Miller O’Prey, PGeo, in compliance with the requirements of NI 43-101. Additional details regarding the California-Vetas Property may be obtained from the California-Vetas Report available on SEDAR at [www.sedar.com](http://www.sedar.com), which readers are encouraged to review in its entirety.

The California-Vetas Report was prepared at the request of the Company, to provide a summary technical update of exploration activities and results subsequent to a previous technical report on the property by James Reeves, R.P.G. dated April 10, 2006 (available on SEDAR). This report was produced in order to comply with the disclosure requirements set out in NI 43-101 for the Canadian Securities Administrators, and is expressly incorporated by reference into this AIF. The author has made such independent investigations as has been deemed necessary in his professional judgment to be able to reasonably rely on this information.

### ***Ownership***

The Company, through its 100% owned Colombian subsidiary, CVS Explorations Ltda., purchased a 100% interest in the California-Vetas property in May of 2006. The purchase agreement included US\$250,000 in work requirements during the first two years which have been completed. No retained royalty or back-in provisions apply.

### ***Property Description and Location***

The California-Vetas gold-silver property is a 3,610.4 hectare property located in the Eastern Cordillera of the Andes Mountains in northeast Colombia near the border with Venezuela, about 400 km north of the capitol city of Bogota and 40 kilometres northeast of the city of Bucaramanga, the capitol of Santander Department. The property is centered at approximately 7°19’50” North latitude and 72°54’16” West longitude within the municipalities of California and Vetas. It lies within the historic California-Vetas Mining District, named for two small mining towns (California and Vetas) situated nine kilometres apart.

## ***History***

Details regarding history including prior ownerships, development of the property and the type, amount, quantity and results of exploration work undertaken by previous owners, and any previous production on the property to the extent known can be found in the Technical Report, section 5 History pages 11 and 12 which is incorporated herein by reference.

## ***Access, Local Resources and Physiograph***

The property is accessible from Bucaramanga on paved and unpaved roads, a distance of 55 kilometres, to the town of California, thence traversed by 16 kilometres of dirt road along the Rio Vetás to the town of Vetás. It can also be accessed by 85 kilometres of paved highway to Berlin and thence by 16 kilometres of unpaved road to Vetás. Apart from the California to Vetás road, access to the property is restricted to foot and horse trails. It is located in steep, mountainous terrain at elevations ranging from 2,000 to 4,200 meters above sea level.

The property is a large, early-stage exploration property that covers a significant portion of the California-Vetás mining district. The California-Vetás mining district has been the site of small scale gold and silver mining over the last 400 years, the majority of which has been concentrated in the vicinity of the towns of California and Vetás.

The property is situated in the Santander Massif, comprised of Precambrian gneisses, schists, quartzites and migmatites of the Guyana Shield. Intermediate to granitic intrusives of the Santander Plutonic Group were emplaced during a period of uplift in the Jurassic/Triassic. Younger porphyry intrusive stocks, plugs and dikes are common in the immediate areas of mineralization in the district and may be as young as Tertiary in age. Regional faulting parallels the topographic fabric and locally north-easterly and north-westerly faulting appears to have controlled emplacement of the intrusive rocks and the subsequent high-level porphyry alteration and precious metal mineralization characterized by extensive zones of phyllic and argillic alteration with narrow to broad zones of sheeted and anastomosing quartz-pyrite veins.

Alteration and mineralization on the California-Vetás property appears to be controlled by structures related to the north-east striking Rio Cucutilla fault zone and the northwest striking Rio Vetás fault zone, both of which transect the property. Observed mineralization occurs in north-east, north-west and east-west striking, steeply dipping discrete and anastomosing quartz-pyrite veins hosted in pervasively phyllic and argillic altered intrusive rocks and basement gneiss. A large zone of this porphyry style alteration is observed in the Rio Vetás valley extending over roughly five kilometres along the valley.

Scattered historic, underground workings and a few currently active small gold mines on the property indicate the presence of potentially economic grades of gold. A preliminary geochemical study of the district by the United States Geological Survey in 1977 included pan concentrate samples of stream sediments that indicated several of the drainage basins on the property are anomalous in precious metals.

The bulk of the property lies five to six kilometres southwest of Greystar Resources Ltd.'s Angostura Gold-Silver Deposit. The most recent, publicly available NI – 43-101 compliant resource calculation on the Angostura deposit is contained in a January, 2008, technical report

by Strathcona Mineral Services Ltd. Measured and Indicated resources at Angostura are reported by Strathcona to be 243.3 million tonnes with an average grade of 1.4 g/t Au for 10.2 million contained ounces. The report also lists Inferred Resources of 77.7 million tonnes with an average grade of 1.4 g/t Au for 3.4 million ounces.

The author was unable to independently verify the information contained in the above mentioned source regarding the Angostura property of Greystar Resources Ltd. and the information contained in the report is not necessarily indicative of the mineralization on the California-Vetas property. The information was prepared by Qualified Persons under NI 43-101 and the author assumes that the information is reliable. The presence of a major gold-silver deposit in the nearby vicinity and in similar geologic setting reasonably enhances the prospectivity of this early stage property.

### ***Drilling***

Work on the property by the Company, conducted subsequent to the Reeves report in 2006, has included a detail stream sediment sampling program and ridge-andspur soil sampling over the entire property. This regional geochemical reconnaissance program has resulted in the definition of a number of precious metal anomalies along with associated copper, molybdenum and arsenic anomalies that warrant more detailed follow-up exploration work. The work accomplished to date conforms to the Phase I exploration program recommended by Reeves in 2006.

The author considers the property to be one of merit and a two-phase exploration program is recommended with the decision to proceed with the second phase dependent on the results of the initial phase.

A Phase II program, consisting of advancing the exploration of the target areas defined by the completed Phase I regional geochemical program, should include detailed geologic mapping with coincident surface and underground rock sampling, grid soil sampling and trenching and/or geophysical surveys to determine drill targets. Once prioritized drill targets have been established, improved access, required environmental permits and surface access agreements with the private landowners will need to be established to allow for initial drill testing.

The estimated cost for the Phase II exploration program is US\$495,000.

If the results of the Phase II program are encouraging, a Phase III exploration program, consisting of a minimum 1,500 meters of drilling is recommended, the estimated cost of which is US\$595,000.

### **DIVIDENDS**

The Company has not paid any dividends and has no particular policy on paying dividends or distributions and does not expect to pay dividends in the near future. The Articles of the Company stipulate that subject to the rights, if any, of shareholders holding shares with special rights as to dividends, the directors may from time to time declare and authorize payment of any dividends the directors consider appropriate.

## **CAPITAL STRUCTURE**

### **General Description of Capital Structure**

The authorized capital of the Company consists of an unlimited number of common shares without par value and an unlimited number of preferred shares without par value. As at the date of this AIF there were 63,582,631 common shares and no preferred shares issued and outstanding. There were 60,457,631 common shares issued and outstanding as at the year ended June 30, 2007, and 61,557,631 common shares issued and outstanding as at the year ended June 30, 2008.

### **Common Shares**

The Company is authorized to issue an unlimited number of common shares. The common shares of the Company are all without par value and rank equally as to dividends, voting powers and participation in assets and as to all other benefits which might accrue to holders of the common shares. No shares have been issued subject to call or assessment. Each common share carries one vote at shareholder meetings of the Company. All of the common shares outstanding as at the date of this AIF are fully paid and non assessable. There are no pre-emptive or conversion rights, and no provision for redemption, purchase for cancellation, surrender or sinking funds attached to any of the Company's common shares. Provisions as to the modification, amendment or variation of such rights or provisions are contained in the Company's Articles of Incorporation.

### **Preferred Shares**

The Company is further authorized to issue an unlimited number of preferred shares without par value, which may be issued in one or more series, and the directors are authorized to fix the number of shares in each series and determine the designation, rights, privileges, restrictions and conditions attached to the shares of each series. The preferred shares have a priority over the common shares with respect to the payment of dividends and the distribution of assets upon the liquidation of the Company with respect to the repayment of capital.

## **MARKET FOR SECURITIES**

### **Prior Sales**

The Company has never been listed on any stock exchange and is not traded or quoted on a Canadian marketplace.

The following table provides each class of the Company's securities that was outstanding and not listed or quoted on a marketplace as at the date of this AIF:

Type of Security	Number Outstanding	Exercise or Conversion Price	Date of Issuance	Expiry Date
Common Shares	63,582,631	n/a	n/a	n/a
Subscription Receipts <sup>(1)</sup>	5,500,000	Refer to footnote <sup>(1)</sup>	July 8, 2008	Refer to footnote <sup>(1)</sup> below.
Broker's Subscription Receipts <sup>(2)</sup>	300,000	\$2.25	July 8, 2008	Refer to footnote <sup>(2)</sup> below.
Rights <sup>(3)</sup>	187,500	Refer to footnote <sup>(3)</sup>	July 8, 2008	Refer to footnote <sup>(3)</sup> below.
Warrants <sup>(1)</sup>	2,750,000	Refer to footnote <sup>(1)</sup>	July 8, 2008	Refer to footnote <sup>(1)</sup> below.
Warrants <sup>(4)</sup>	1,050,000	\$2.25	July 8, 2008	July 8, 2009
Warrants <sup>(5)</sup>	225,000	\$1.50	April 21, 2008	April 21, 2009
Warrants <sup>(6)</sup>	2,887,500	\$1.50	April 25, 2007	The later of (i) October 31, 2008; or (ii) 30 days after the date the common shares of the Company are listing for trading on a stock exchange or trading and quotation system.
Warrants <sup>(7)</sup>	235,000	Refer to footnote <sup>(7)</sup>	Refer to footnote <sup>(7)</sup> .	One year from the date of issue. Refer to footnote <sup>(7)</sup> .
Options	1,877,500	\$1.00	April 25, 2007	April 25, 2012
Options	75,000	\$1.00	November 27, 2007	November 27, 2012
Options	200,000	\$1.00	January 21, 2008	January 21, 2013
Options	90,000	\$1.00	May 15, 2008	May 15, 2013
Options	1,650,000	\$1.60	July 24, 2008	July 24, 2013

- <sup>(1)</sup> Pursuant to a brokered private placement (the “**Brokered Placement**”) of 5,000,000 subscription receipts (“**Subscription Receipts**”) at \$1.60 per Subscription Receipt. Each Subscription Receipt is exchangeable on or before the Expiry Date (as such term is defined below), without any additional consideration, for one Unit consisting of one common share and one-half of one non-transferable common share purchase warrant (each whole warrant, a “**Warrant**”). Each Warrant will entitle the holder thereof to acquire one common share at an exercise price of \$2.25 for a period of 12 months expiring July 8, 2009. The Subscription Receipts are, and will be deemed, exchangeable by the holders thereof on the earlier of: (i) the date the common shares of the Company become listed on the TSX Venture Exchange (“**TSX-V**”) or Toronto Stock Exchange (“**TSX**”) (the “**Listing Date**”); and (ii) November 9, 2008, such earlier date being the “**Expiry Date**”. If the Listing Date does not occur on or before November 9, 2008, each Subscription Receipt will be, and will be deemed, exchangeable on the Expiry Date for no additional consideration for Units comprised of 1.10 common shares (in lieu of one common share for an aggregate of 5,500,000 common shares instead of an aggregate of 5,000,000 common shares) and 0.55 Warrants (in lieu of one half of one Warrant for an aggregate of 2,750,000 Warrants instead of an aggregate of 2,500,000 warrants). If, however, the Company is listed on or before November 9, 2008, 5,000,000 common shares and 2,500,000 Warrants will be issued.
- <sup>(2)</sup> 300,000 broker subscription receipts (the “**Brokered Subscription Receipts**”) were issued to GMP Securities L.P. as part of their fee in connection with the Brokered Placement. Each Broker Subscription Receipt is exchangeable, without any additional consideration, on the Expiry Date (as defined in footnote <sup>(1)</sup> above) into warrants (the “**Broker Warrants**”). Each Broker Warrant will entitle the holder to acquire one common share at a price of \$2.25 for a period of 12 months expiring July 8, 2009.
- <sup>(3)</sup> Pursuant to the Non-brokered Placement (described in footnote (4) below), the subscriber to the Non-brokered Placement has the Right to require the Company to issue additional units equal to 10% of the number of units (187,500 common shares and 93,750 warrants) subscribed to in the Non-brokered Placement

if the Company does not become listed on the TSX-V or TSX on or before November 9, 2008. The warrants have the same terms as the Unit Warrants described in footnote (4) below.

- (4) Issued in connection with the Non-brokered private placement of 1,875,000 units at \$1.60 per unit. Each Unit consisting of one common share and one-half of one non-transferable common share purchase warrant (each whole warrant, a “**Unit Warrant**”). Each Unit Warrant will entitle the holder to acquire an additional common share of the Company at a price of \$2.25. In addition, 112,500 warrants (the “**Finder’s Warrants**”) were issued to Peninsula Merchant Syndications Corp. as part of their fee as finder. Each Finder’s Warrant is exercisable for one common share of the Company at a price of \$2.25.
- (5) Pursuant to a private placement of 450,000 units at \$1.00 per unit. Each unit consisting of one common share and one-half of one common share purchase warrant. One whole warrant exercisable for a common share of the Company at a price of \$1.50, subject to accelerated exercise provisions.
- (6) Pursuant to a private placement of 5,775,000 units at \$1.00 per unit. Each unit consisting of one common share and one half of one common share purchase warrant. One whole warrant exercisable for a common share of the Company at a price of \$1.50, subject to accelerated exercise provisions, and expiring on the later of (i) October 31, 2008; or (ii) 30 days after the date the common shares of the Company are listing for trading on a stock exchange or trading and quotation system. In addition, the Company agreed with a subscriber (the “**Subscriber**”) to this private placement, that if the Company did not list its shares for trading on a stock exchange within nine months from the closing date of the private placement, the Company would issue to the Subscriber an additional number of common shares equal to two percent of the number of common shares acquired in the placement by the Subscriber (equal to 50,000 common shares) and would continue to issue such number of common shares every thirty days thereafter until such time as the shares are listed on a stock exchange.

Pursuant to a loan agreement dated January 31, 2008 between the Company and Diamond Hill Investment Corp., a private company (the “**Lender**”) controlled by R. Stuart Angus, a director of the Company, for US\$750,000 (the “**Loan**”). As consideration for the Loan, the Company will issue to the Lender 235,000 common share purchase warrants for a period of one year priced at the 20 day weighted average of the Company’s common share price upon listing its common shares on a stock exchange. On July 8, 2008, the Company repaid the Loan including interest at a rate of 18% per annum. The Company does not have a stock option plan and proposes to adopt one subject to regulatory and shareholder approval.

## **ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER**

The following information is a list of all securities currently subject to pooling arrangements:

<b>Designation of Class</b>	<b>Number of Securities Held In Escrow Or That Are Subject to a Contractual Restriction on Transfer</b>	<b>Name Holder</b>	<b>Percentage of Class</b>
Voluntary Pooling Agreement	900,000 (1),(4)	Jon Lehmann and Allen Ambrose	1.415%
Voluntary Pooling Agreement	900,000 (2),(4)	Augusta Capital Corporation	1.415%
Voluntary Pooling Agreement	30,000 (3),(4)	Blanca Stella Frias Osorio	0.047%

- (1) A total of 3,000,000 common shares were issued subject to the voluntary pooling agreement in connection with the California-Vetas Agreement pursuant to which such shares are to be released from the pool over three years, subject to an accelerated release as described in footnote (4) below. Otherwise, the shares are to be released as follows: 10% on the effective date of the agreement (which is May 18, 2006) and 15% each six months thereafter. All shares to be released after 36 months. To date a total of 2,100,000 common shares

have been released from the pool. The balance of 900,000 common shares will be released as to 450,000 on November 18, 2008 and 450,000 on May 18, 2009.

- (2) A total of 3,000,000 common shares were issued subject to the voluntary pooling agreement in connection with the CVS Agreement pursuant to which such shares are to be released from the pool over three years, subject to an accelerated release as described in footnote (4) below. Otherwise, the shares are to be released as follows: 10% on the effective date of the agreement (which is May 18, 2006) and 15% each six months thereafter. All shares to be released after 36 months. To date a total of 2,100,000 common shares have been released from the pool. The balance of 900,000 common shares will be released as to 450,000 on November 18, 2008 and 450,000 on May 18, 2009.
- (3) A total of 100,000 common shares were issued in connection with the Consulting Agreement dated April 18, 2007 with Blanca Stella Frias Osorio. 25,000 common shares were released effective the date of the agreement, 15,000 common shares were released on May 18, 2007 and 15,000 are to be released every six months thereafter. All shares are to be released by May 18, 2009. To date, a total of 70,000 have been released. The balance of 30,000 common shares will be released as to 15,000 on November 18, 2008 and 15,000 on May 18, 2009.
- (4) Subject to an accelerated exercise provision pursuant to which these shares would be released, the earlier of (i) the day Ventana completes, or has completed, a technical report in accordance with NI 43-101, that identifies a measured, indicated or inferred mineral resource (as defined in NI 43-101) of at least 1,000,000 ounces of gold on the La Bodega Property, which the Mining Concession Agreement No. 3451 dated September 10, 2004 pertains; or (ii) the day an independent arm's length third party completes a takeover bid, or otherwise acquires, over 50% of the issued and outstanding shares of Ventana; or (iii) the day after any regulatory or public disclosure filings confirming the creation of a new control person or control block holding over 20% of the issued and outstanding shares of Ventana.

## DIRECTORS AND OFFICERS

### Name, Occupation and Security Holding

Name, Province/State and Country of Residence	Position held in the Company	Present and Principal Occupation During the Last Five Years
<b>Donald B. Clark</b> <sup>(2)</sup> British Columbia, Canada	President, and Director since March 2, 2006	Director of Augusta Resource Corporation since 1996 and CFO from June 2002 to August 2006. VP Administration of Augusta since June 2006; Director of Sargold Resource Corporation from May 1998 to October 2007; CFO of Sargold from May 2004 to August 2006; President and Director of Wildcat Silver Corporation since February 2006; CFO of Wildcat from February to August 2006. Augusta, Sargold and Wildcat are all mineral exploration companies.
<b>Mike Clarke</b> Colorado, USA	Director since November 27, 2007	Vice President Exploration for Augusta Resource Corporation since April 2005; Vice President Exploration for Sargold Resource Corporation, a mineral exploration and development company, between April 2005 and October 2007; Manager, Exploration for First Quantum Minerals Ltd., a mining company, between July 2004 and April 2005; Director of Exploration for the Saudi Arabian Mining Company between October 1999 to June 2004.

Name, Province/State and Country of Residence	Position held in the Company	Present and Principal Occupation During the Last Five Years
<b>R. Stuart Angus</b> <sup>(1)(2)</sup> British Columbia, Canada	Director since Dec 7, 2006	Independent Consultant to the mining industry from December 2005 to present. Managing Director - Mergers & Acquisitions for Endeavour Financial between 2003 and December 2005 prior to which he was a partner at the Canadian law firm Fasken Martineau DuMoulin LLP.
<b>Michael A. Steeves</b> <sup>(1)(2)</sup> British Columbia, Canada	Director since May 5, 2006	Director of Augusta Resource Corp. since June, 1999. President and Chief Operating Officer and Director of Zazu Metals Corporation since November 2006. Director of Wildcat Silver Corporation from May 2006 to July 2008. Director of Sargold Resource Corp. from June 2005 to October 2007.. Consultant to the base metal industry between August 2005 to November 2007. Director of Ventana Gold Corp. since May 2006. Vice President Investor Relations of Glamis Gold Ltd., a mining company, between June 2002 and August 2005. Director of Investor Relations of Coeur d'Alene Mines Corporation, a mining company, between October 1999 to June 2002.
<b>Richard W. Warke</b> British Columbia, Canada	Chairman and CEO since July 24, 2008	Executive Chairman of Augusta Resource Corporation since July 2008, Chairman between April 2005 to July 2008 and VP Corporate Development between May 2006 to July 21, 2008; President of Augusta Resource Corporation between April 1999 to April 2005; CEO and Chairman of Sargold Resource Corporation between May 1998 to October 2007 and President between May 1998 to December 2006 and May 2007 to October 2007. Augusta and Sargold are both mineral exploration and development companies.
<b>Susan Rubin</b> British Columbia, Canada	Chief Financial Officer since July 24, 2008	CFO of Wildcat Silver Corporation since July 2008; Corporate Controller of Redcorp Ventures Ltd., a mining company, from June 2007 to July 2008; Corporate Controller of OSI Geospatial Inc., a software and systems providers for C3I applications from February 2006 to June 2007; SOX 404 Project Consultant from August 2004 to February 2006. CFO of Larrea Biosciences Inc. from March 2004 to August 2004.
<b>Purni Parikh</b> British Columbia, Canada	Corporate Secretary since April 25, 2007	Corporate Secretary for Augusta Resource Corporation since July 1999 and for Wildcat Silver Corporation since November 2006; Corporate Secretary for Sargold Resource Corporation from June 2000 to October 2007. Augusta, Wildcat and Sargold are all mineral exploration and development companies.

(1) Independent as such term is defined under National Instrument 52-110

(2) Member of the Audit Committee

The directors of the Company are elected annually and hold office until the next annual meeting of shareholders or until their successors are elected or appointed. The term of each director will expire at the upcoming annual general meeting of the Company scheduled for November 20, 2008.

To the knowledge of the Company, the number of common shares of the Company which are beneficially owned, or controlled or directed, directly and indirectly, by all directors and officers of the Company, as a group, as at June 30, 2008, is 18,506,552.

In addition to the information provided in the table above, the following is a brief description of the employment and occupational background of the Company's directors and senior management:

**Richard W. Warke** – Chairman and CEO

Mr. Warke has been engaged in most aspects of the operation of publicly traded companies for more than 20 years. These include corporate finance, administration, management, investor relations, mergers and acquisitions, property acquisitions, exploration and development. He has performed the roles of Chairman, President and Chief Executive Officer, Director, Promoter and other executive positions. While his endeavors have primarily involved mineral resource operations, he has also been involved with oil and gas, forestry, technology and manufacturing operations. Since 1996 he has been engaged as a Director and Officer of Augusta Resource Corporation, a TSX and American Stock Exchange listed company, who is developing the Rosemont Copper mine project in Arizona. He was similarly engaged since 1998 as a Director and Officer of Sargold Resource Corporation, a TSX-V listed company, a gold mining venture in Sardinia, Italy. Sargold merged with Buffalo Gold Ltd. in October 2007.

**Donald B. Clark** – *President, Director*

Mr. Clark spent 28 years in the Canadian banking industry, engaged in all aspects of retail and commercial banking. His last position was with the Royal Bank of Canada as Manager of a commercial branch where he had full responsibility for development, marketing, growth, portfolio management of commercial loans and deposits, dealing with a wide range of industrial, commercial, natural resource and individual clientele between August 1981 to November 1984. He was also ultimately responsible for administration of the branch. Following this, Mr. Clark spent from December 1986 to December 1989 as Chief Executive Officer of H.E.R.O. Industries Ltd., a publicly traded manufacturing company. Prior to joining the Augusta Group of companies in 1994, he spent five years as President and Chief Operating Officer of Conversion Industries Inc., a niche merchant banking operation engaged in investment in companies which they assisted to become publicly traded. Mr. Clark was engaged in the analysis, acquisition/investment and monitoring of these companies, as well as the day-to-day supervision of the merchant bank operation.

**Mike Clarke** – *Director*

Mr. Clarke holds a Ph.D in Geology from the University of Arizona and has more than 30 years of international experience in the resource industry. He has managed exploration projects all over the world for companies including First Quantum Minerals, the Saudi Arabian Mining Company and Cyprus Exploration. Earlier in his career, Mr. Clarke worked with San Luis Mining in Mexico where he was directly responsible for the discovery of two key deposits: the Santa Rita silver-gold deposit (which became a principal source for Luismin, S.A. de C.V. ("**Luismin**"), a subsidiary of Goldcorp Inc.) and the San Antonio gold-silver mine in Mexico.

Mr. Clarke is directly responsible for the discovery of two deposits (owned by Luismin): (1) The Santa Rita Silver-Gold Deposit in Durango Mexico, near the Tayoltita silver-gold mine, which has been a principal source of silver and gold for the Tayoltita operation; and (2) The San Antonio Gold-Silver Mine in Sinaloa, Mexico, which was a high-grade silver-gold deposit located in a remote portion of the Mexican Barranca region. Luismin owed its strong financial position in large part to profits gained from these operations.

**R. Stuart Angus** - *Director*

Mr. Angus was Managing Director – Mergers and Acquisitions with Endeavour Financial Corporation, which provides financial advisory services to the mining and minerals industries, from 2003 to December 31, 2005. From December 31, 2005 to present, Mr. Angus is an independent consultant to the mining industry. Prior to joining Endeavour Financial in 2003, Mr. Angus was a senior partner in the law firm, Fasken Martineau DuMoulin LLP, and head of its Global Mining Group. For over 25 years, he practiced as a lawyer focused on significant international exploration, development and mining ventures, and all aspects of their structuring and finance.

**Michael A. Steeves** - *Director*

Mr. Steeves has been involved in the mining industry for more than 30 years. He is currently President and Chief Operating Officer of Zazu Metals Corporation. He was Vice President of Investor Relations for Glamis Gold Ltd. (“**Glamis**”) in Reno, Nevada until August 2005. Prior to joining Glamis in June 2002, he served as Director of Investor Relations for Coeur D'Alene Mines in Coeur D'Alene, Idaho and Homestake Mining in San Francisco, California. Previously, Mr. Steeves worked as a mining analyst for a number of Canadian investment firms. He has a Bachelor of Science and a Master of Science degree in Geology from the University of Manitoba and is also a Chartered Financial Analyst.

**Susan Rubin**– *Chief Financial Officer*

Ms. Rubin has over 20 years of progressive financial management experience developing and directing financial, internal control, and informational reporting systems. She has held management positions in junior oil and gas, mining, high-tech and biotech public companies. Ms. Rubin is a Chartered Accountant and is a member of Financial Executives International.

**Purni Parikh** – *Corporate Secretary*

Ms. Parikh, the Corporate Secretary for the Company, has 18 years of experience in business administration and has completed coursework from the University of Toronto, Simon Fraser University and other institutions in various areas including business management, organizational behavior, marketing, securities, computer science and software and web design. In 1999, Ms. Parikh obtained a Gemology degree with honors. She is now a fellow of Gemological Associations in Canada and Great Britain and an associate member of the Gemological Institute of America. She also holds an honors certificate in the Canadian Securities Course and has been involved with public companies for 17 years. Since joining the Augusta Group in 1992, Ms. Parikh has been involved in the business administration, investor relations and legal

administration for the Augusta Group of companies. Since 1999 she has been acting in the capacity of Corporate Secretary for those same companies.

### **Cease Trade Orders, Bankruptcies, Penalties or Sanctions**

Other than as provided below, no director or executive officer of the Company, is as of the date of this AIF, or within the 10 years before the date of this AIF has been a director, chief executive officer or chief financial officer of any other company (including the Company) 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 company access to any exemption under securities legislation, that was issued while the director or executive officer was acting in the capacity as a director, chief executive officer or chief financial officer for a period of more than 30 consecutive days; or
- (b) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event which occurred while that person was acting in the capacity as a director, chief executive officer or chief financial officer for a period of more than 30 consecutive days.

Richard W. Warke, the Chairman and Chief Executive Officer of the Company, is the President and Director of Cybercom Systems Inc. (“**Cybercom**”) and Donald B. Clark, President of the Company, is a Director of Cybercom. Cybercom was issued a cease trade order on October 23, 2002 due to failure to file comparative annual financial statements and quarterly report for the period ended January 31, 2002. Cybercom’s failure to file the above resulted from its inability to pay filing fees associated with such filing due to a lack of funding. Cybercom is currently inactive, remains under the cease trade order and has been delisted from the TSX-V.

The Parent Co. requested and received notice from the British Columbia Securities Commission of the issuance of a management cease trade order (the “**MCTO**”) on October 30, 2007 in connection with the late filing of its annual audited consolidated financial statements for the fiscal year ending June 30, 2007. The Parent Co.’s failure to make the filing within the required time frame was due to the need to clarify potential foreign tax obligations relating to an acquisition it made. The required filing was made on January 7, 2008 and the MCTO was revoked on January 8, 2008. The following directors or officers or both of the Parent Co. are directors or officers or both of Ventana: Donald Clark, Michael Steeves, and Purni Parikh.

### **Bankruptcies**

Other than as described below, no director or executive officer of the Company, or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, or a personal holding company of any such persons,

- (a) as at the date of this AIF, is or has been within the 10 years before the date of this AIF, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, 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; or
- (b) has, within 10 years before the date of this AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or become subject to or instituted proceedings, an arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder:

Richard Warke filed a proposal (the "Proposal") with the Official Receiver under the *Bankruptcy and Insolvency Act* on September 15, 1998. Despite filing the Proposal, by letter dated August 7, 2002 the TSX-V confirmed that Mr. Warke is acceptable to act as a director of the Company.

The Trustee acting in the Proposal certified the Proposal as fully performed on November 21, 2002 and he was thereby discharged.

Mike Clarke, a director of the Company, was VP Exploration for Real del Monte Mining Corporation ("RMM") between October 1997 and June 1999. Within a year after Mr. Clarke ceased to act in that capacity RMM announced insolvent liquidation. As a result RMM, was delisted from the exchanges it was then listed on. To the best of Mr. Clarke's knowledge there were no charges of misconduct and the bankruptcy proceedings have come to conclusion.

### **Penalties or Sanctions**

No director or officer of the Company, or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, has

- (a) been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement since December 31, 2000 that would likely be important to a reasonable investor in making an investment decision, with a securities regulatory authority; or
- (b) been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

### **Conflicts of Interest**

The directors of the Company are required by law to act honestly and in good faith with a view to the best interest of the Company and to disclose any interests which they may have in any project or opportunity of the Company. If a conflict of interest arises at a meeting of the board of directors, any director in a conflict will disclose his interest and abstain from voting on such matter. In determining whether or not the Company will participate in any project or

opportunity, that director will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

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

The directors and officers of the Company are aware of the existence of laws governing accountability of directors and officers for corporate opportunity and requiring disclosures by directors of conflicts of interest and the Company will rely upon such laws in respect of any directors' and officers' conflicts of interest or in respect of any breaches of duty by any of its directors or officers. Such directors or officers, in accordance with the *Business Corporations Act* (British Columbia), will disclose all such conflicts and they will govern themselves in respect thereof to the best of their ability in accordance with the obligations imposed upon them by law.

#### **LEGAL PROCEEDINGS AND REGULATORY ACTIONS**

There are no legal proceedings to which the Company is a party or of which any of the Company's property is subject, and there are no such proceedings known by the Company to be contemplated.

There are no: (a) penalties or sanctions imposed against the Company by a court relating to securities legislation or by a securities regulatory authority during the Company's most recently completed financial year and up to the date of this AIF; (b) other penalties or sanctions imposed by a court or regulatory body against the Company that would likely be considered important to a reasonable investor in making an investment decision; or (c) settlement agreements the Company entered into with a court relating to securities legislation or with a securities regulatory authority during the Company's most recently completed financial year and up to the date of this AIF.

#### **INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS**

Other than as set forth below, to the knowledge of the Company, no director, executive officer, person or company that beneficially owns, or controls, or directs, directly or indirectly, more than ten percent of the Company's voting securities, or associate or affiliate of the foregoing, has had any material interest, direct or indirect, in any transactions in which the Company has participated within the three most recently completed financial years or in the current financial year prior to the date of AIF, which has materially affected or is reasonably expected to materially affect the Company:

In January 2008, the Company entered into a loan agreement, with Diamond Hill Investment Corp. (the "**Lender**"), a private company controlled by R. Stuart Angus, a director of the Company, for US\$750,000 (the "**Loan**"), bearing an interest rate of 18% per annum with an

expiry date of January 31, 2009, or upon completion of an equity financing of not less than \$2,000,000. The Loan enabled the Company to make an option agreement payment in connection with its La Bodega Property. As further consideration for the Loan, the Company will issue to the Lender 235,000 share purchase warrants for a period of one year priced at the 20 day weighted average of the Company's share price upon listing its common shares on a stock exchange. On July 8, 2008, the Company repaid the loan including interest.

## **TRANSFER AGENTS AND REGISTRARS**

The registrar and transfer agent for the common shares of the Company is Computershare Trust Company of Canada at its principal office in Vancouver, British Columbia.

## **MATERIAL CONTRACTS**

The following list sets forth or refers to the particulars of each material contract of the Company that was entered into within the last financial year and up to the date of this AIF or before the last financial year but is still in effect, and that is required to be filed under section 12.2 of National Instrument 51-102 ("NI 51-102") at the time this AIF is filed or would be required to be filed under section 12.2 of NI 51-102 at the time this AIF is filed but for the fact that it was previously filed:

1. The La Bodega Agreement as more fully described under "*General Development of the Business – History*".
2. The CVS Purchase Agreement as more fully described under "*General Development of the Business – History*".
3. The California-Vetas Agreement as more fully described under "*General Development of the Business – History*".
4. The Voluntary Pooling Agreement in connection with the CVS Purchase Agreement as more fully described under "*General Development of the Business – History*" and "*Escrowed Securities and Securities Subject to Contractual Restriction on Transfer*".
5. The Voluntary Pooling Agreement in connection with the California-Vetas Agreement as more fully described under "*Escrowed Securities and Securities Subject to Contractual Restriction on Transfer*".
6. The Voluntary Pooling Agreement in connection with the Consulting Agreement with Blanca Stella Frias Osorio as more fully described under "*Escrowed Securities and Securities Subject to Contractual Restriction on Transfer*".
7. Sponsorship Engagement letter with GMP Securities L.P. (the "**Sponsor**") dated July 21, 2008. The Sponsor has agreed to act as the Company's sponsor in connection with the Company's application to list its Common Shares on the TSX. The Company has agreed to pay to the Sponsor all reasonable out-of-pocket expenses of the Sponsor, including reasonable legal fees of up to \$15,000 for Canadian counsel and \$7,500 for Colombian counsel, together with disbursements and taxes of such legal counsel.

## **INTERESTS OF EXPERTS**

### **Names of Experts**

The following are names of persons or companies (a) that have prepared or certified a report, valuation statement or opinion described or included in a filing, or referred to in a filing made under NI 51-102 by the Company during, or relating to, the Company's most recently completed financial year; and (b) whose profession or business gives authority to the report, valuation statement or opinion made by the person or company:

- (i) Dale Matheson Carr-Hilton LaBonte, Chartered Accountants, of Suites 1500, 1140 West Pender Street, Vancouver, British Columbia, V6E 4G1 provided an auditor's report dated October 17, 2007 in respect of the Company's financial statements for the years ended June 30, 2007 and 2006;
- (ii) EuroGeol Miller O'Prey, PGeo, an independent geologist, is the author responsible for the preparation of the La Bodega Report dated June 14, 2008; and for the preparation of the California-Vetas Report dated June 14, 2008.

### **Interests of Experts**

Based on information provided by the experts, other than as described below, none of the experts named under "Names of Experts" above, when or after they prepared the statement, report or valuation, has received or will receive any registered or beneficial interests, direct or indirect, in any securities or other property of the Company or of one of the Company's associates or affiliates (based on information provided to the Company by such experts) or is or is expected to be elected, appointed or employed as a director, officer or employee of the Company or of any associate or affiliate of the Company.

Dale Matheson Carr-Hilton LaBonte, Chartered Accountants, has advised the Company that it is independent within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of British Columbia.

## **AUDIT COMMITTEE INFORMATION**

### **Audit Committee Charter**

The Audit Committee is a committee of the Board to which the board delegates its responsibilities for the oversight of the accounting and financial reporting process and financial statement audits.

The Audit Committee will:

- (a) review and report to the Board of the Company on the following before they are published:
  - (i) the financial statements and MD&A (management discussion and analysis) (as defined in National Instrument 51-102) of Ventana; and
  - (ii) the auditors report, if any, prepared in relation to those financial statements,

- (b) review Ventana's annual and interim earnings press releases before Ventana publicly discloses this information,
- (c) satisfy itself that adequate procedures are in place for the review of Ventana's public disclosure of financial information extracted or derived from Ventana's financial statements and periodically assess the adequacy of those procedures,
- (d) recommend to the Board:
  - (i) the external auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for Ventana; and
  - (ii) the compensation of the external auditor,
- (e) oversee the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for Ventana, including the resolution of disagreements between management and the external auditor regarding financial reporting,
- (f) monitor, evaluate and report to the Board on the integrity of the financial reporting process and the system of internal controls that management and the Board have established,
- (g) monitor the management of the principal risks that could impact the financial reporting of Ventana,
- (h) establish procedures for:
  - (i) the receipt, retention and treatment of complaints received by Ventana regarding accounting, internal accounting controls, or auditing matters; and
  - (ii) the confidential, anonymous submission by employees of Ventana of concerns regarding questionable accounting or auditing matters,
- (i) pre-approve all non-audit services to be provided to Ventana or its subsidiary entities by Ventana's external auditor,
- (j) review and approve Ventana's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of Ventana,
- (k) with respect to ensuring the integrity of disclosure controls and internal controls over financial reporting, understand the process utilized by the Chief Executive Officer and the Chief Financial Officer to comply with Multilateral Instrument 52-109,
- (l) review and recommend to the Board any changes to accounting policies,
- (m) review the opportunities and risks inherent in Ventana's financial management and the effectiveness of the controls thereon; and
- (n) review major transactions (acquisitions, divestitures and funding).

### **Composition of the Committee**

The committee will be composed of 3 directors from Ventana's Board the majority of whom are independent. Independence of the Board members will be as defined by applicable legislation and as a minimum each committee member will have no direct or indirect relationship with Ventana which, in the view of the Board, could reasonably interfere with the exercise of a member's independent judgment.

All members of the committee will be financially literate as defined by applicable legislation. If, upon appointment, a member of the committee is not financially literate as required, the person will be provided a three month period in which to achieve the required level of literacy.

### **Authority**

The committee has the authority to engage independent counsel and other advisors as it deems necessary to carry out its duties and the committee will set the compensation for such advisors.

The committee has the authority to communicate directly with and to meet with the external auditors and the internal auditor, without management involvement. This extends to requiring the external auditor to report directly to the committee.

### **Reporting**

The reporting obligations of the committee will include:

1. reporting to the Board on the proceedings of each committee meeting and on the committee's recommendations at the next regularly scheduled directors meeting; and
2. reviewing, and reporting to the Board on its concurrence with, the disclosure required by Form 52-110F2 in any management information circular prepared by Ventana.

### **Other**

Review any related-party transactions.

### ***Composition of the Audit Committee and Relevant Education and Experience***

Michael Steeves, Donald Clark and R. Stuart Angus are the members of the Audit Committee. All members are financially literate as defined by MI 52-110, and Michael Steeves and R. Stuart Angus are independent. For details with respect to their relevant education and experience see "*Directors and Officers – Name, Occupation and Security Holding*".

### ***Reliance on Certain Exemptions***

At no time since the commencement of the Company's most recently completed financial year has the Company relied on any of the exemptions in the following sections of NI 52-110: Section 2.4 (*De Minimis Non-audit Services*), Section 3.2 (*Initial Public Offerings*), Section 3.3(2) (*Controlled Companies*), Section 3.4 (*Events Outside Control of Member*), Section 3.5 (*Death, Disability or Resignation of Audit Committee Member*), Section 3.6 (*Temporary Exemption for Limited and Exceptional Circumstances*) or Section 3.8 (*Acquisition of Financial Literacy*). The

Company to date has relied on an exemption in Part 3 (*Composition Of the Audit Committee*) and Part 5 (*Reporting Obligations*).

### External Auditor Service Fees

The following table sets forth the fees paid by the Company to Dale Matheson Carr-Hilton LaBonte, Chartered Accountants, for services rendered in the last fiscal year. No fees are recorded for fiscal 2006 as the Company was a wholly owned subsidiary of the Parent Co. until December 14, 2006.

<b>Financial Year Ending</b>	<b>Audit Fees<sup>(1)</sup></b>	<b>Audit Related Fees<sup>(2)</sup></b>	<b>Tax Fees<sup>(3)</sup></b>	<b>All Other Fees<sup>(3)</sup></b>
June 30, 2008	\$28,000	\$448	Nil	Nil
June 30, 2007	Nil	Nil	Nil	Nil

<sup>(1)</sup> "Audit Fees" are the aggregate fees charged by the Company's auditors for the audit of the Company's consolidated annual financial statements, reviews of interim financial statements and attestation services that are provided in connection with statutory and regulatory filings or engagements.

<sup>(2)</sup> "Audit-Related Fees" are fees charged by the Company's auditors for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements and are not reported under "Audit Fees."

<sup>(3)</sup> "Tax Fees" are fees charged by the Company's auditors for tax compliance, tax advice and tax planning.

<sup>(4)</sup> "All Other Fees" are fees charged by the Company's auditors for products and services other than as set out under the heading "Audit Fees", "Audit Related Fees" and "Tax Fees".

### ADDITIONAL INFORMATION

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities, and securities authorized for issuance under equity compensation plans, where applicable, is contained in the Company's information circular for its most recent annual general meeting of shareholders that involved the election of directors and additional financial information is provided in the Company's consolidated financial statements and management's discussion and analysis for its most recently completed financial year available on SEDAR at [www.sedar.com](http://www.sedar.com).