TECHNICAL REPORT
SCHEFFERVILLE PROJECT
Block 103-Kivivic Lake /Block 44-Petitsikapau Lake
Western Labrador

Western Labrador, Newfoundland and Labrador

Cap-Ex Ventures Ltd.
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February 8th, 2011

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3.0 SUMMARY

Clark Expl. Consulting was commissioned to complete this report on the SCHEFFERVILLE PROJECT (the "Project") by Cap-Ex Ventures Ltd. ("Cap-Ex"). The Schefferville Project is comprised of two claim blocks, Block 103 and Block 44 (the "Properties"). The report is to comply with the disclosure and reporting requirements set forth in National Instrument 43-101, and Form 43-101F1 and is intended to be used as supporting documentation to be filed with the British Columbia Securities Commission, Alberta Securities Commission and the TSX Venture Exchange. The report recommends an exploration program totaling $2,080,000 to further assess the Properties to host economic concentrations of Iron Ore.

The Project is located in the western central part of the Labrador Trough iron range and are located approximately 1000 kilometres northeast of Montreal and within 30 kilometres of Schefferville, Quebec. Both Properties are within the Province of Newfoundland and Labrador. Block 103 and Block 44 are approximately centred at 611250mE, 6095000mN and 656800mE, 6065425mN (NAD 83, Zone 19) respectively.

Property Description

License Number	Location	Number of Claims / Hectares	Stake- Work Due Date	Client Name / Registered	NTS Sheets
014603M	Kivivic Lake	94 / 2350	20/01/2008-20/04/2011	743584 Ontario Inc.	23O03 + 23J14
017736M	Petitsikapau Lake	104 / 2600	08/05/2010-08/08/2011	Bedford Resource Partners Inc.	23J10 + 23J09

The Project is composed of two licenses (Block 103: 014603M and Block 44: 017736M). Title to Block 103 and Block 44 is registered in good standing with the Department of Natural Resources, Province of Newfoundland and Labrador.

Cap-Ex Ventures Ltd. can acquire 100% interest in the Schefferville Project from Mandu Resources Ltd., Bedford Resource Partners Inc. and 743589 Ontario Inc. Total consideration for the Schefferville properties will be $275,000 and 5,000,000 common shares of Cap-Ex.. The shares are subject to escrow provisions equivalent to the TSX-Venture Exchange's Value Escrow provisions.
The vendors retain a 1.8% royalty on iron produced. Cap-Ex has the right to purchase 0.5% of the royalty for $1.0 million for a period of 24 months.

The Project is accessible from Schefferville, Quebec. Block 103 is approximately 30 kilometres northwest of the town and is traversed by gravel roads that access New Millennium and Labrador Iron Mines properties. Block 44 is located approximately 16 kilometres south-southeast of the town and within a kilometre of a bush road. Alternatively both properties can be accessed via air either by float plane or helicopter.

The region is served by an airport with a 2000 metre runway capable of handling jet aircraft. Air scheduled air service is available to Montreal, Wabush and Sept-Iles, Quebec.

Rail service to Schefferville is provided by **Tshiuetin Rail Transportation Inc.** ("TRT"), which is owned in equal parts by the Naskapi Nation of Kawawachikamach, the Nation Innu Matimekosh - Lac John and Innu Takuaikan Uashat mak Mani. Twice weekly trains from Schefferville to Sept-Iles provides freight and passenger service.

The first concentrated exploration in the Labrador Trough commenced in the late 1930's when Hollinger North Shore Exploration Company Limited (Hollinger) and Labrador Mining and Exploration Company Limited (LM&E) acquired large mineral concessions to explore for base and precious metals. In the course of the exploration the magnitude of the iron potential became the focus of exploration and development. Mining and shipping of iron ore commenced in 1954 under the management of the Iron Ore Company of Canada (IOCC). The exploration of the deposits ceased in 1982 after production of approximately 150 million tons of ore.

After the cessation of production, the mineral concessions reverted to the crown. In recent years with the increase demands for iron world wide the commodity prices have increased. Exploration in the Schefferville area has been steadily increasing with one of the most advance projects being held by Labrador Iron Mines who are moving toward production on some IOCC previously explored properties.

The Project is located within the western and central portions of the Labrador Trough (Figure 6). The Labrador Trough is also referred to as the Labrador-Quebec Fold belt extending from Ungava Bay in the north to Lake Pletipi in the south. The belt attains a width of approximately 100 kilometres in the centre and narrows both north and south.

The Proterozoic rocks of the Trough are known as the Kaniapiskau Supergroup. The super group is comprised of sedimentary, volcanic and mafic intrusive rocks and is divided into the Knob Lake and Doublet Groups. The Knob Lake Group is in the western part of the Trough and is dominated by sedimentary rocks that include the prospective iron formations. The Doublet Group in the east is primarily comprised of volcanics.

The Project has been acquired to cover iron formations of the Sokoman Formation of the Knob Lake Group. The prospective iron formation forms a continuous stratigraphic unit that thickens and thins throughout the fold belt.

The Knob Lake Range occupies an area approximately 100 km long by 8km wide. The Ruth Formation and the Sokoman Formation of the Knob Lake Group are the principal sources of all the direct shipping ore (DSO) deposits, with the Sokoman Formation providing most of the ore. The ore bodies are found in tightly folded and faulted blocks of the iron formation. They are typically elongated along the northwesterly strike and occur in canoe-shaped synclines slightly overturned to the west and bound by high angle reverse faults.

The ores follow the bedding and show a distinct stratigraphic control. They were formed in situ by circulating waters which followed bedding planes and closely spaced fractures formed along and across the strike direction.

The variations in composition and physical properties of the primary iron formation led to the leached and enriched ore derived from it, classified as various grade types by IOCC personnel. The primary breakdown of the ores was into three color groups, controlled by stratigraphy. The color groups are:

- **Blue Ore:** Derived from the middle section of the Sokoman Formation; it is generally coarse-grained and friable, and consists of hematite and martite, with minor chert;
- **Red Ore:** Derived from the Ruth Formation; it is made up of earthy red hematite and retains the clay/slate characteristics of the original formation;
- **Yellow Ore:** Derived from the lower section of the Sokoman Formation; it is made up of goethite and very fine-grained limonite that retains a high moisture content.

The deposits are composed of iron formations of the Lake Superior-type. The Lake Superior-type iron formation consists of banded sedimentary rocks composed principally of bands of iron oxides, magnetite and hematite within quartz (chert)-rich rock, with variable amounts of silicate, carbonate and sulphide lithofacies. Such iron formations have been the principal sources of iron throughout the world.

The Project is located within the iron rich Labrador Trough. Past production by the IOCC of over 150 million tons of iron ore occurred from 1954 – 1982. The dominant ore type was direct shipping lump and sinter fine ores.

Previous detailed and regional mapping of Block 103 has identified the Sokoman Formation that host significant iron bearing sediments. Regional and property scale airborne magnetic surveys have defined high and low magnetic trends that are potentially representative of both magnetite and hematite bearing iron formations. Sampling and analysis of outcrops on Block 44 have returned encouraging iron ore content which has not been followed up. These extensive horizons have not been adequately explored to determine the potential of economic iron ore concentrations.

Cap-Ex did contract Stephen Reford of Paterson Grant & Watson Limited to model the digital magnetic data from the 2006 airborne magnetic survey on Block 103. The modeling focused on five magnetic areas on the southern limbs of Block 103. These models provide a preliminary ranking for the commencement of exploration. Interpretation of the data produced models for 5 magnetic trends that correspond to surface expressions of the topography. The models indicate that the surface expressions should be near surface or the upper parts of the horizon have been oxidized to hematite.

Summary of Modeling Results, Reford (2011)

Model	Mean Depth	Strike Length	Mean Width	Thickness	Volume	Mean Magnetic Susceptibility	Mean Magnetic Susceptibility

	(m)	(m)	(m)	(m)	(m^3)	(SI)	(cgs)
1	123	1920	174	150	5.0112E+07	2.54	0.2021
2	32	460	90	140	5.7960E+06	1.16	0.0923
3	0	980	117	140	1.6052E+07	0.78	0.0621
4	0	1910	160	140	4.2784E+07	0.41	0.0326
5	81	1160	117	140	1.9001E+07	2.31	0.1838

The Project has had sufficient preliminary exploration to indicate the excellent potential to hosting economic concentrations of iron. The previous airborne and ground magnetic surveys have verified the occurrence of highly magnetic horizons that would correspond to magnetite bearing rocks. Magnetic lows have been identified and interpreted as potential hematite hosting zones. The magnetic interpretation on Block 103 by Reford (2011) has modeled 5 priority exploration targets that correspond to surface topography and the magnetic features are near surface. Historical surface samples from Block 44 have confirmed the existence of high iron content iron formation that has not been fully evaluated.

A budget of $2,080,000 is recommended to evaluate the potential of the Project to host economic concentrations of iron. The work program is to be comprised of airborne and ground geophysics, geological mapping, compilation and diamond drilling.

Block 103 recommended exploration will be comprised of diamond drilling, ground geophysics, geological mapping, stripping, sampling and mineral analysis.

Block 44 recommended exploration will be comprised of ground and airborne geophysics surveys, geological mapping and sampling.

It is the opinion of the authors that the Property is of sufficient merit to justify the recommended program.

4.0 INTRODUCTION

Clark Expl. Consulting was commissioned to complete this report on the SCHEFFERVILLE PROJECT (the "Project") by Cap-Ex Ventures Ltd. ("Cap-Ex"). The Schefferville Project is comprised of two claim blocks, Block 103 and Block 44. The report is to comply with the disclosure and reporting requirements set forth in National Instrument 43-101, and Form 43-101F1 and is intended to be used as supporting documentation to be filed with the British Columbia Securities Commission and the TSX Venture Exchange. The report recommends an exploration program totaling $2,080,000 to further assess the Properties to host economic concentrations of Iron Ore.

The report was written and edited by J. Garry Clark and Alojzy A. Walus. The illustrations were completed and edited by J. Garry Clark. The report and recommendations are based on:

1. Public data archived with the Government Newfoundland and Labrador, Ministry of Natural Resources and accessible on the Ministries website.

2. A personal site visit by co-author Alojzy Walus was completed February 2nd and 3rd, 2011. Block 44 was visited utilizing a truck to the end of the plowed roads and then snow machines to access the block. Block 103 was accessed similarly. Outcrop was attempted to be examined but in both locations the 60 to 80 centimetres of snow hindered the examination.

5.0 RELIANCE ON OTHER EXPERTS

The author has relied on previous exploration reports as referenced in Section 23.0 References. These reports may or may not have been completed by qualified persons as defined by NI 43-101. After reviewing the reports and associated data the author is satisfied the data presented is accurate.

6.0 PROPERTY DESCRIPTION AND LOCATION

The Project is located in the western central part of the Labrador Trough iron range and are located approximately 1000 kilometres northeast of Montreal and within 30 kilometres of Schefferville, Quebec (Figure 1). Both Properties are within the Province of Newfoundland and Labrador. Block 103 and Block 44 are approximately centred at 611250mE, 6095000 mN and 656800mE, 6065425mN (NAD 83, Zone 19) respectively.

The Project is composed of two licenses (Block 103: 014603M and Block 44: 017736M) (Table 1) (Figure 2, 3 +4). Title to Block 103 and Block 44 is registered in good standing with the Department of Natural Resources, Province of Newfoundland and Labrador. The Properties are not legally surveyed but are located accurately using UTM coordinates when acquired by map staking. Individual claims are not numbered or demarcated on the map and are described by the License Number.

Table 1: Property Description

License Number	Location	Number of Claims / Hectares	Stake- Work Due Date	Client Name / Registered	NTS Sheets
014603M	Kivivic Lake	94 / 2350	20/01/2008-20/04/2011	743584 Ontario Inc.	23O03 + 23J14
017736M	Petitsikapau Lake	104 / 2600	08/05/2010-08/08/2011	Bedford Resource Partners Inc.	23J10 + 23J09

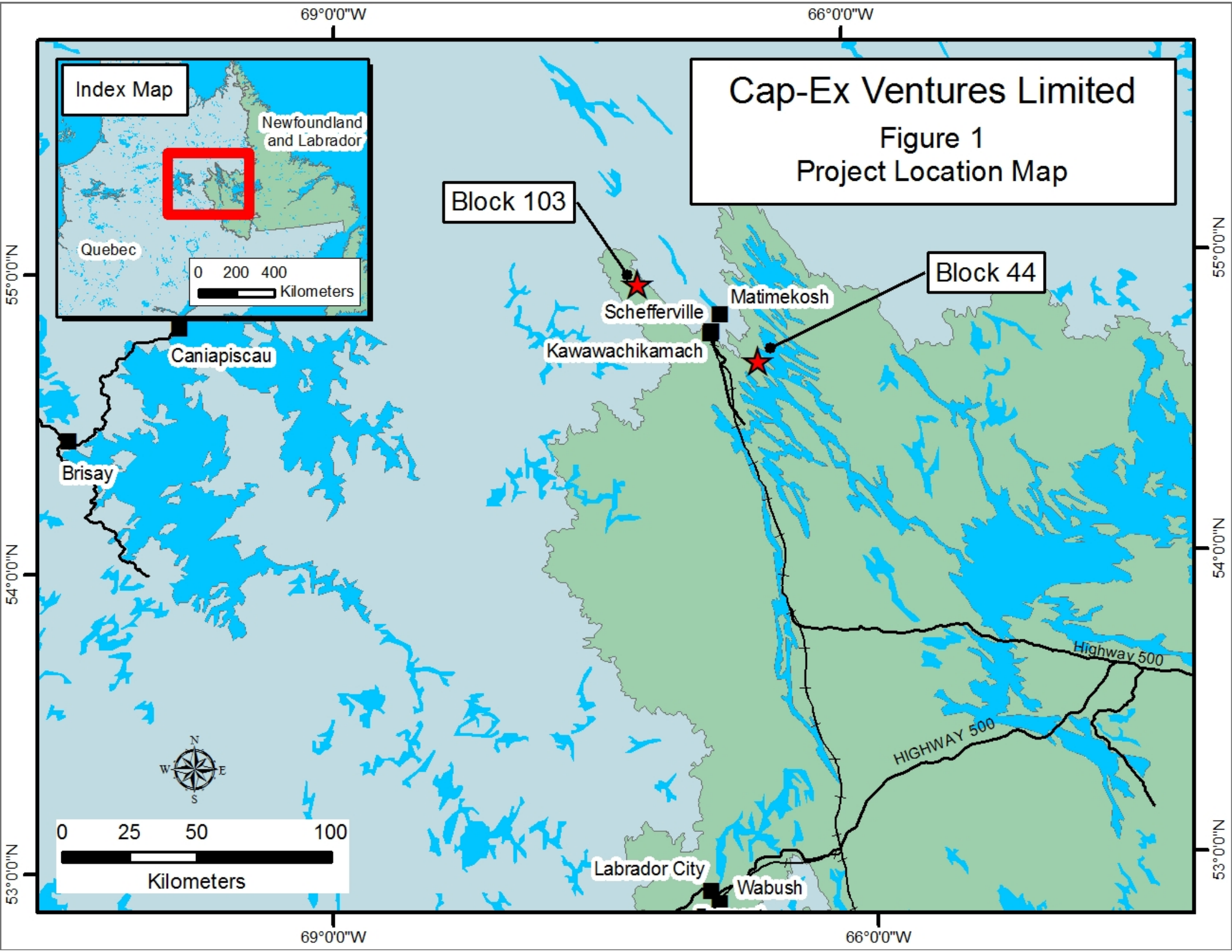
To maintain the claims in good standing, assessment work must be filed annually with the Department of Mines and Energy. The annual report of the assessment work performed is due no later than 60 days after the anniversary of their issuance date. Eligible assessment work to a value of $200 per claim is required the first year; $250 per claim in the second year; $300 per claim in the third year; $350 per claim in the forth year; $400 per claim in the fifth year; $600 per claim in each of the sixth through tenth years; $900 per claim in each of the eleventh through fifteenth years; and $1,200 per year through each of the sixteenth through twentieth years.

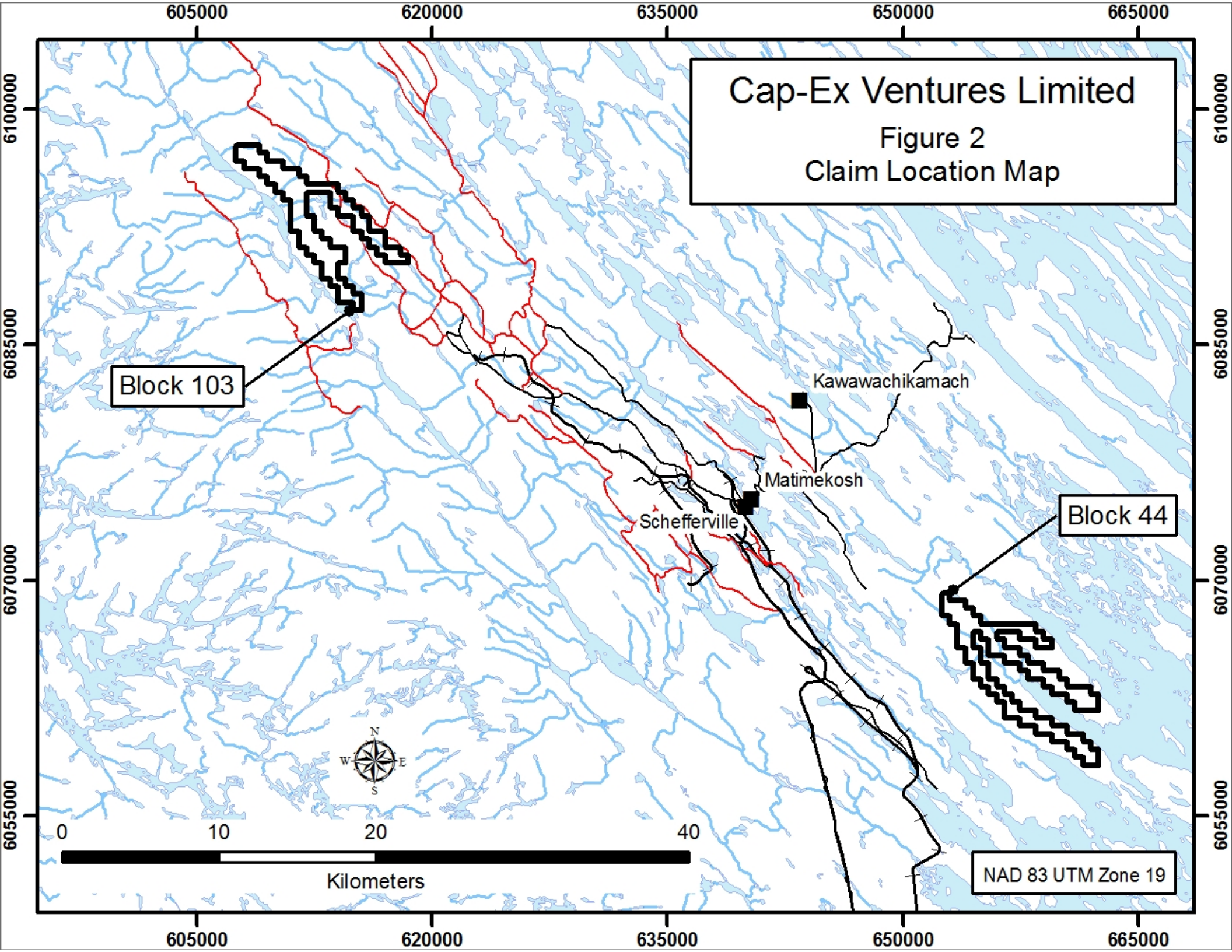
Aboriginal groups have claimed virtually all of Labrador and the Province of Newfoundland and Labrador have provided a notice of warning to that effect to all applicants and holders of government leases, licences and permits. The notice reads: **Please be advised that leases and permits issued by Government for activities in Labrador may eventually be affected by land and resource rights negotiated as part of any settlement agreed to by Government. Renewals of such leases, licences and permits may also be affected by any settlement agreed to by Government.**

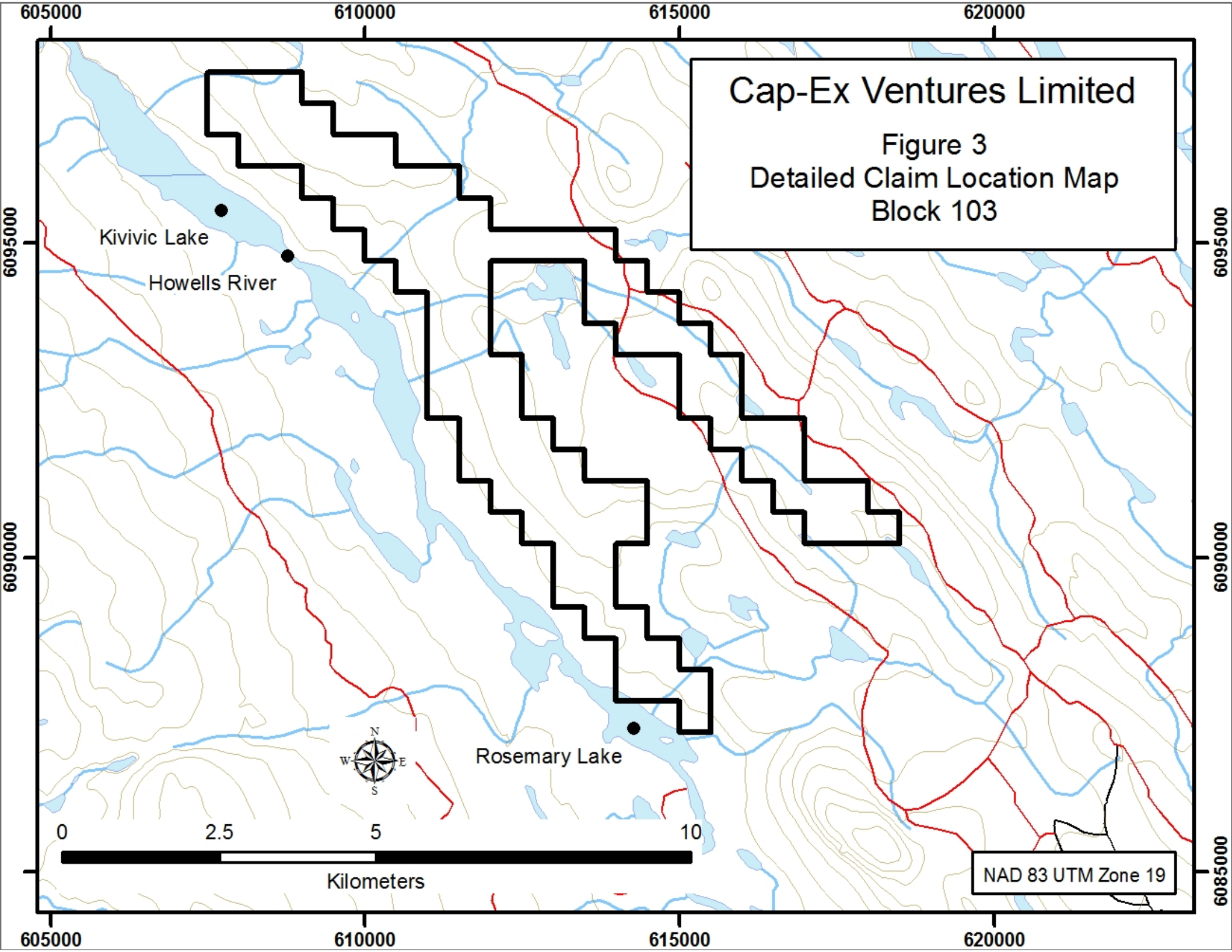
Cap-Ex Ventures Ltd. can acquire 100% interest in the Schefferville Project from Mandu Resources Ltd., Bedford Resource Partners Inc. and 743589 Ontario Inc. Total consideration for the Schefferville properties will be $275,000 and 5,000,000 common

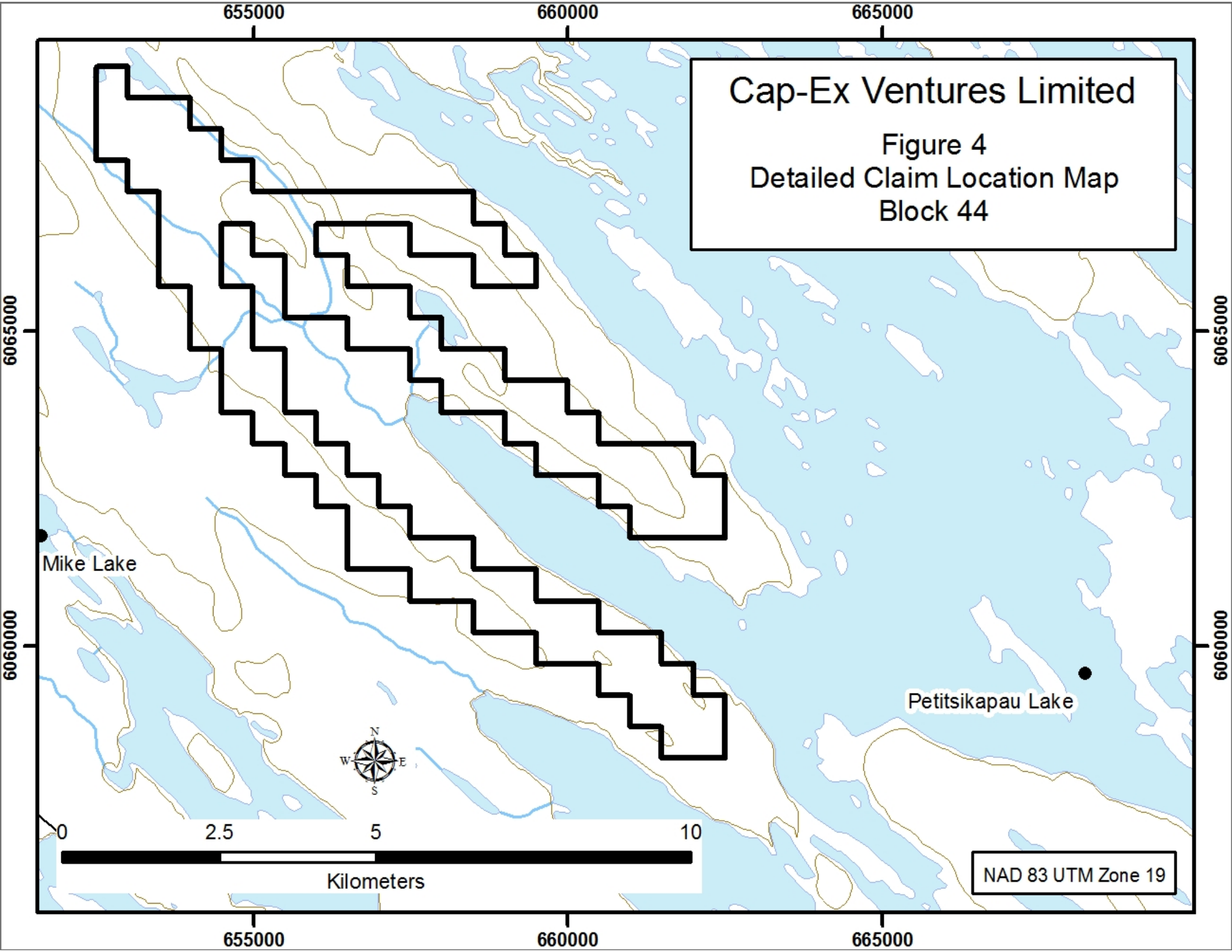
shares of Cap-Ex The shares are subject to escrow provisions equivalent to the TSX-Venture Exchange's Value Escrow provisions.
The vendors retain a 1.8% royalty on iron produced. Cap-Ex has the right to purchase 0.5% of the royalty for $1.0 million for a period of 24 months.

There are no indications of environmental liabilities associated with the properties but the author has not completed an exhaustive ground examination. At the time of the writing of the report, the company had not applied for or been issued permits for the property. To complete the work recommended for the property permits will be required from the Departments of Natural Resources, Environment and Conservation and Government Services.


Cap-Ex Ventures Limited
Figure 1
Project Location Map
Index Map
Newfoundland and Labrador
Quebec
0 200 400
Kilometers
Block 103
Block 44
Schefferville
Matimekosh
Kawawachikamach
Caniapiscau
Brisay
Labrador City
Wabush
Highway 500
HIGHWAY 500
N
W
E
S
0 25 50 100
Kilometers
69°0'0"W
66°0'0"W
55°0'0"N
54°0'0"N
53°0'0"N


Cap-Ex Ventures Limited
Figure 2
Claim Location Map
Block 103
Block 44
Kawawachikamach
Matimekosh
Schefferville
605000
620000
635000
650000
665000
6100000
6085000
6070000
6055000
N
W
E
S
0
10
20
40
Kilometers
NAD 83 UTM Zone 19


Cap-Ex Ventures Limited
Figure 3
Detailed Claim Location Map
Block 103
Kivivic Lake
Howells River
Rosemary Lake
N
W
E
S
0
2.5
5
10
Kilometers
NAD 83 UTM Zone 19
605000
610000
615000
620000
6095000
6090000
6085000


Cap-Ex Ventures Limited
Figure 4
Detailed Claim Location Map
Block 44
655000
660000
665000
6065000
6060000
Mike Lake
Petitsikapau Lake
N
W
E
S
0
2.5
5
10
Kilometers
NAD 83 UTM Zone 19

7.0 ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

7.1 Accessibility

The Project is accessible from Schefferville, Quebec (Figure 2). Block 103 is approximately 30 kilometres northwest of the town and is traversed by gravel roads that access New Millennium and Labrador Iron Mines properties. Block 44 is located approximately 16 kilometres south-southeast of the town and within a kilometre of a bush road. Alternatively, both properties can be accessed via air either by float plane or helicopter.

7.2 Climate

The Schefferville area and vicinity have severe winters typical of sub-arctic, continental taiga climates. Daily average temperatures exceed 0ºC for only five months of the year. Daily mean temperatures in Schefferville in January average -24.1ºC and 12.4ºC in July. Precipitation in the Schefferville area includes >50 centimetres of snowfall for each of November, December and January with the wettest month of summer being July with an average rainfall of 106.8 millimetres.

7.3 Local Resources and Infrastructure

Schefferville with a population of ~250 non-native residents, an incorporated municipality in the Province of Quebec, has a number of new buildings, including medical clinics, a recreation centre and churches, and houses. The contiguous Matimekosh community, has approximately 700 members of the Nation Innu Matimekosh-Lac John.

The economy of Schefferville is based on hunting and fishing, tourism and public service administration. In addition to the hunting and fishing outfitters, the population of the town consists mainly of motel, store and flying service operators, teachers, retired families and support staff for the town services.

A skilled labour force is accessible from other parts of Newfoundland and Labrador and Quebec. Modern Canadian mining operations are very commuter friendly with labour travelling from all parts of Canada for to satisfy labour needs.

The region is served by an airport with a 2000 metre runway capable of handling jet aircraft. Air scheduled air service is available to Montreal, Wabush and Sept-Iles, Quebec.

Rail service to Schefferville is provided by **Tshiuetin Rail Transportation Inc.** ("TRT"), which is owned in equal parts by the Naskapi Nation of Kawawachikamach, the Nation Innu Matimekosh - Lac John and Innu Takuaikan Uashat mak Mani. Twice weekly trains Schefferville to Sept-Iles provides freight and passenger service.

Schefferville receives its electricity power from the hydro-electric generating station at Menihek Lake, Labrador.

7.4 Physiography

The topography of the Schefferville area is bedrock controlled with elevation varying between 500 and 700 metres above sea level. The terrain is generally gently rolling to flat with relief of approximately 50 to 100 metres. Topographic highs are normally created be more resistive quartzites, cherts and silicified units with the lower area corresponding to siltstones and shales.

The Project is within the Atlantic watershed. The area is all part of the northern extents of the boreal forest. Conifers, low shrubs and lichens are dominant.

The area is covered by a thin veneer of till composed of glacial and glacial fluvial sediments. The till is composed of sandy gravels preserved within topographic lows.

8.0 HISTORY

The first concentrated exploration in the Labrador Trough commenced in the late 1930's when Hollinger North Shore Exploration Company Limited (Hollinger) and Labrador Mining and Exploration company Limited (LM&E) acquired large mineral concessions to explore for base and precious metals. In the course of the exploration the magnitude of the iron potential became the focus of exploration and development. Mining and shipping of iron ore commenced in 1954 under the management of the Iron Ore Company of Canada (IOCC). The exploration of the deposits ceased in 1982 after production of approximately 150 million tons of ore.

After the cessation of production the mineral concessions reverted to the crown. In recent years with the increase demands for iron world wide the commodity prices have increased. Exploration in the Schefferville area has been steadily increasing with one of the most advance projects being held by Labrador Iron Mines who are moving toward production on some IOCC previously explored properties.

8.1 Block 103

Block 103 historically was part of the holdings held by IOCC which they refer to as Block 103. Review of the Natural Resources data base (Newfoundland and Labrador GeoScience Atlas) indicates:

1950: IOCC completed a 1000 foot spaced geological survey that covered parts of the present claim block and identified the various lithologies present. No sampling was reported from the property (Perrault 1950).

1971: IOCC completed airborne electromagnetic and magnetic surveys over a number of areas including parts of Block 103. Using the electromagnetic and magnetic response IOCC staff had formulated a method of estimating grade and tonnage of areas. One of these areas Block 8 is covered by the present claims. These calculations were referred of as Block 8 and was quoted to have a tonnage of 105 million long tons at 36.8% iron (Hetu 1972). **This is a historical resource not compliant to NI 43-101. The author did not review the methods of calculating this resource.**

1978: IOCC completed a ground magnetic and geological survey in the southwest portion of Block 103. Geophysics and geological mapping was on 500 foot spaced lines. The results of the geology mapping indicated the "area is underlain by upper iron formation which appears to be folded in open undulating structures…Some middle and lower iron formation exposures occur in the area as well as the UIF." (Stubbins 1978).

1980: LM&E and IOCC, electromagnetic completed a helicopter magnetic and radiometric survey over the Block 103. The results stated "Further work will be necessary to filter out the better conductors for follow up work on the ground." (Grant 1980).

2008: Bedford Resource Partners acquired the present mineral license to cover a government defined airborne magnetic anomaly. Subsequently the property was optioned to Adriana Resources Inc. and became known as the Bedford Iron Prospect.

2008: Adriana Resources completed a 100 metre line spaced helicopter-borne high resolution magnetic survey to assess Block 103 and the adjacent ground. The survey totaled approximately 670 line kilometres and was completed with a nominal terrain clearance of 50 metres (Figure6)(MPX 2008). The airborne survey identified a number of linear magnetic trends that correspond to previously mapped magnetite iron formation. Adriana had committed to making escalating payments totaling $200,000 over six-years and conducting exploration designed to advance the project to pre-feasibility stage to earn 100% interest. Bedford would retain a 1.5% royalty from the sale of iron mined from the property with Adriana having the option to buy down 50% of the royalty for fair market value after a bankable feasibility study.

2010: Adriana Resources relinquished Block 103 (July 17, 2010) and placed the license in 743589 Ontario Inc. Adriana completed a payment of $30,000 and reported a write-off of $200,183 in a September 2010 MD&A

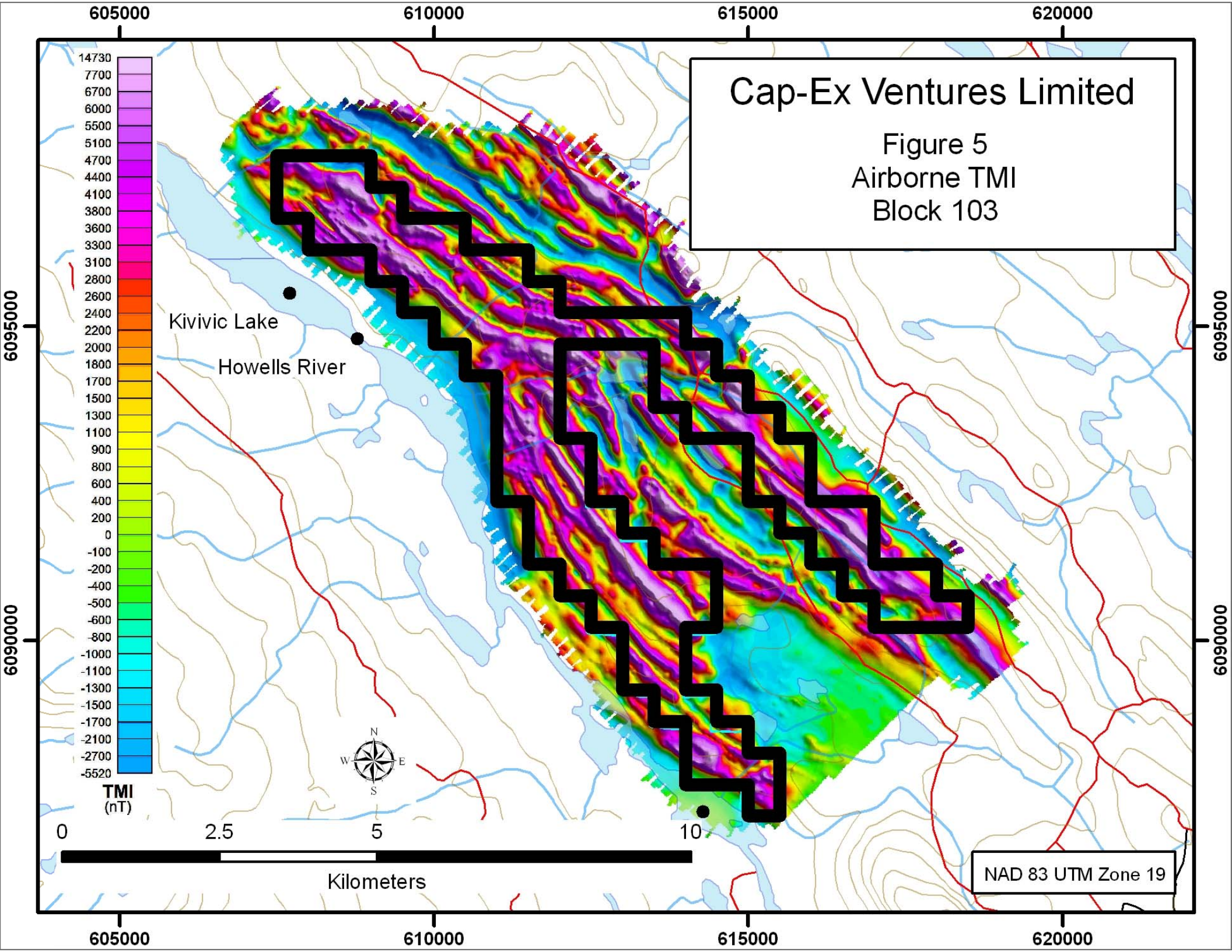
2011: Cap-Ex Ventures Ltd. enters into an agreement to acquire 100% interest in Block 103 from Mandu Resources Ltd., Bedford Resource Partners Inc. and 743589 Ontario Inc. Terms of the agreement are presented in Section 6.0 Property Description and Location.

8.2 Block 44

Block 44 historically was part of the holdings held by LM&E. Review of the Natural Resources data base (Newfoundland and Labrador GeoScience Atlas) indicates:

1978: LM&E completed geological reconnaissance mapping and sampling on Block 44. Eight samples were collected and the author classified them as channel chip samples from outcrop surfaces. All samples were submitted for Davis Tube testing. Te report indicated “All samples showed interesting material for magnetic concentration. Three had over 40% weight recovery and additional 3 over 30%. Tailings were low in iron suggesting the iron is mainly in the magnetite. Product grade at the -200 mesh grind, however, was unsatisfactory and a finer grind would be required for further testing….3 of the above samples were tested at -325 mesh. At the finer grind the silica in the concentrate is cut in half without loss of iron recovery..” (Stubbins 1978).

1979: LM&E completed a **50.5 foot vertical diamond drill hole** in the southwest corner of Block 44. The diamond drill log indicates the rock type to be very fine grained slate with no assays being taken (Grant 1979).


Cap-Ex Ventures Limited
Figure 5
Airborne TMI
Block 103
605000
610000
615000
620000
6095000
6090000
Kivivic Lake
Howells River
14730
7700
6700
6000
5500
5100
4700
4400
4100
3800
3600
3300
3100
2800
2600
2400
2200
2000
1800
1700
1500
1300
1100
900
800
600
400
200
0
-100
-200
-400
-500
-600
-800
-1000
-1100
-1300
-1500
-1700
-2100
-2700
-5520
TMI
(nT)
N
W
E
S
0
2.5
5
10
Kilometers
NAD 83 UTM Zone 19

9.0 REGIONAL GEOLOGY

The Project is located within the western and central portions of the Labrador Trough (Figure 6). The Labrador Trough is also referred to as the Labrador-Quebec Fold belt extending from Ungava Bay in the north to Lake Pletipi in the south. The belt attains a width of approximately 100 kilometres in the centre and narrows both north and south.

The Proterozoic rocks of the Trough are known as the Kaniapiskau Supergroup. The super group is comprised of sedimentary, volcanic and mafic intrusive rocks and is divided into the Knob Lake and Doublet Groups. The Knob Lake Group is in the western part of the Trough and is dominated by sedimentary rocks that include the prospective iron formations. The Doublet Group in the east is primarily comprised of volcanics.

The Project has been acquired to cover iron formations of the Sokoman Formation of the Knob Lake Group. The prospective iron formation forms a continuous stratigraphic unit that thickens and thins throughout the fold belt.

The southern portion of the Trough of the Trough is south of the Grenville Front that is mapped to cross approximately 30 kilometres north of Wabush. Trough rocks in the Grenville Province are complexly folded and highly metamorphosed. The high-grade metamorphism has recrystallized the iron oxides and the silicates to produce coarse grained iron formations that improve the ability to concentrate and process the iron bearing formations.

The area of the Project lies within the low grade (greenschist facies) metamorphic terrain that is part of the Churchill Province. The mines developed in the Schefferville area exploited residually enriched earthy iron deposits.

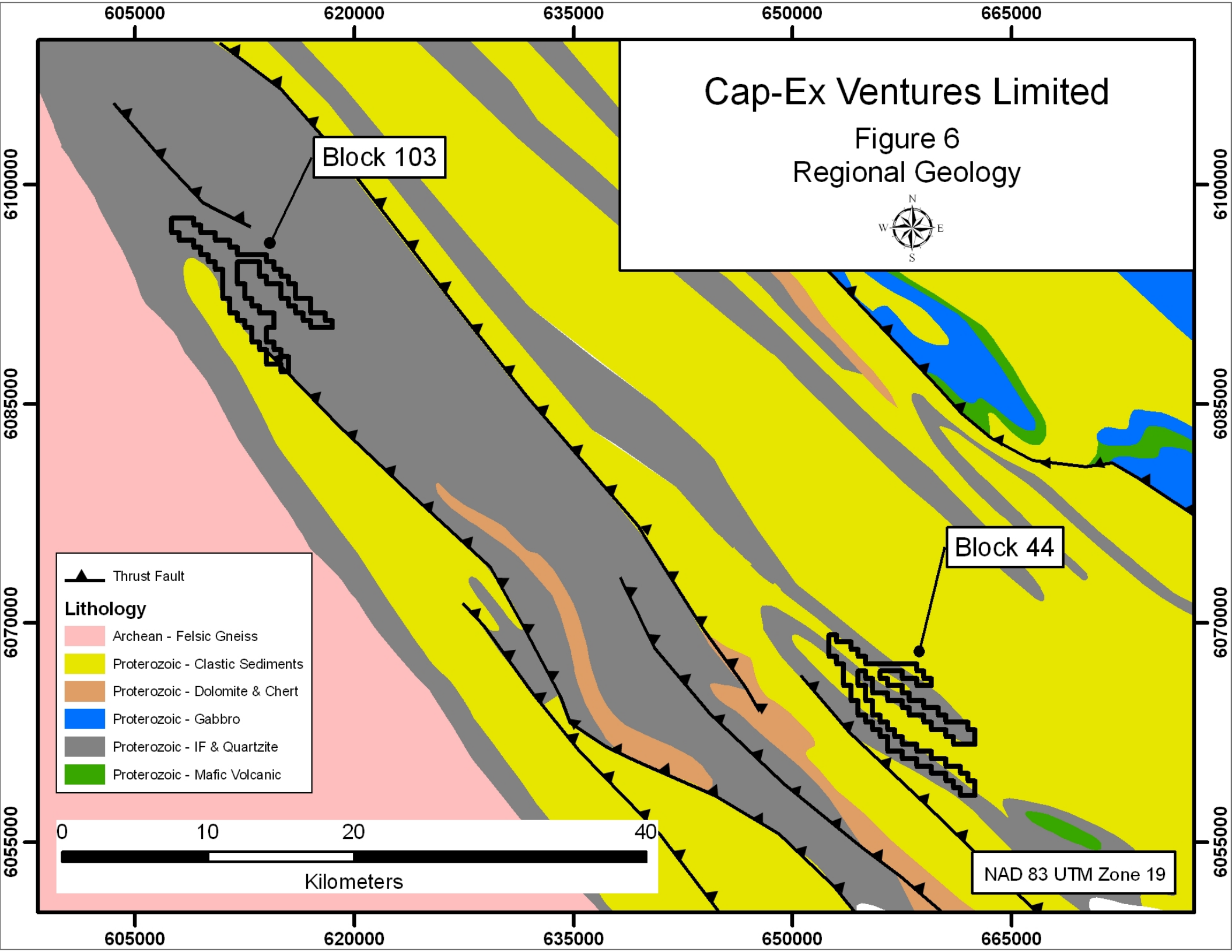

Cap-Ex Ventures Limited
Figure 6
Regional Geology
Block 103
Block 44
Thrust Fault
Lithology
Archean - Felsic Gneiss
Proterozoic - Clastic Sediments
Proterozoic - Dolomite & Chert
Proterozoic - Gabbro
Proterozoic - IF & Quartzite
Proterozoic - Mafic Volcanic
0
10
20
40
Kilometers
NAD 83 UTM Zone 19
605000
620000
635000
650000
665000
6100000
6085000
6070000
6055000

Table 2: Regional Stratigraphic Column Churchill Part of Western Labrador Through

PROTEROZOIC -Helikian	
Shabogamo Group	
Gabbro, Diabase	
Intrusive Contact	
PROTEROZOIC–Aphebian	
Kaniapiskau Supergroup	
Knob Lake Group	
Menihek Formation	Carbonaceous slate, shale, quartzite, greywacke, mafic volcanic rocks, minor dolomite and chert
Purdy Formation	Dolomite developed locally
Sokoman Formation	Oxide, silicate and carbonate lithofacies, minor sulphide lithofacies, interbedded, mafic volcanic rocks, (Nimish Formation) ferruginous slate and slatey iron formation, slate and carbonaceous shale.
Wishart Formation	Feldspathic quartz arenite, arkose, minor chert, greywacke, slate and mafic volcanic rocks.
Fleming Formation	Chert breccia, thin-bedded slate, limestone, minor lenses of shale and slate.
Denault Formation	Dolomite and minor chert.
Attikamagen Formation	Green, red, grey and black shale and argillite interbedded with mafic volcanic rocks
Unconformity	
ARCHEAN	
Ashuanipi Complex	Granitic and granodioritic gneisses and mafic intrusives

9.1 Local Geology

Description of the Local geology is summarized by Watt, Griffis and McQuat (2009)

"The Knob Lake Range occupies an area approximately 100 km long by 8km wide. The Ruth Formation and the Sokoman Formation of the Knob Lake Group are the principal sources of all the direct shipping ore (DSO) deposits, with the Sokoman Formation providing most of the ore. The ore bodies are found in tightly folded and faulted blocks of the iron formation. They are typically elongated along the northwesterly strike and occur in canoe-shaped synclines slightly overturned to the west and bound by high angle reverse faults.
The ores follow the bedding and show a distinct stratigraphic control. They were formed in situ by circulating waters which followed bedding planes and closely spaced fractures formed along and across the strike direction.

The variations in composition and physical properties of the primary iron formation led to the leached and enriched ore derived from it, classified as various grade types by IOCC personnel. The primary breakdown of the ores was into three color groups, controlled by stratigraphy. The color groups are:

- **Blue Ore:** Derived from the middle section of the Sokoman Formation; it is generally coarse-grained and friable, and consists of hematite and martite, with minor chert;
- **Red Ore:** Derived from the Ruth Formation; it is made up of earthy red hematite and retains the clay/slate characteristics of the original formation;
- **Yellow Ore:** Derived from the lower section of the Sokoman Formation; it is made up of goethite and very fine-grained limonite that retains a high moisture content.

The stratigraphy of the Schefferville area is as follows:

Attikamagen Formation: (thickness 300+ m) a green, red, grey and black shale, this formation consists of argillaceous material with calcareous or arenaceous lenses. The formation grades upwards into Denault dolomite or Wishart quartzite.

Denault Formation: (thickness 20-60 m) Comprised of dolomite with chert bands and pebbles of black chert, this formation weathers to buff-grey to brown hummocky outcrops. The formation grades upwards into the chert breccia or quartzite.

Fleming Formation: (thickness 0-100 m) Consisting of rectangular fragments of chert and quartz within a matrix of chert, this formation has the appearance of a brecciated rock.
Wishart Formation: (thickness 10-75 m) this formation is a quartzite comprising well-rounded glassy fragments of quartz and 10-30% rounded fragments of pink and grey feldspar.

Ruth Formation: (thickness 3-37 m) a thin-bedded to laminated chert-carbonate ferruginous shale with some pyrite and abundant finely disseminated carbon, on leaching this formation produces red ore. Near the top of the formation is a thin, 0-4m thick band of jasper-bearing formation with alternating layers of hematite. Known as jaspilite, this layer produces blue ore

on leaching.

Sokoman Formation: (thickness 120-150 m) More than 80% of the ore in the Knob Lake Range occurs within this formation, which is divided into three members, Lower iron formation ("LIF"), Middle iron formation ("MIF") and Upper iron formation ("UIF"), which, in turn, are further divided into several sub-members:

Lower iron formation ("LIF"): The main unit in this formation is the silicate carbonate iron formation ("SCIF") consisting of iron silicate minerals (minnesotite) interbedded with chert, hematite, martite and carbonates. On leaching and enrichment, the formation produces yellow ore. The LIF also contains oxide-rich layers and units resembling Ruth Formation, which are discontinuous and on enrichment produce blue and red ores respectively.

Middle Iron Formation ("MIF"): This formation is further sub-divided as follows:

Lower Red Cherty ("LRC") is an oxide facies rich in hematite, martite and minor magnetite occurring in bands alternating with jasper. The leached and enriched ore has a purplish blue color.

Pink Grey Cherty ("PGC") is a thick unit, rich in hematite, minor magnetite, sometimes showing a considerable amount of iron carbonates. Upon leaching, the unit produces blue ore with some limonite. The PGC occasionally shows bands rich in iron silicates, carbonates and iron oxides resembling SCIF. When present, these units are identified as yellow MIF ("YMIF"). Upon leaching, the oxide-rich layers produce yellow ore.

Upper Red Cherty ("URC") is often grouped with PGC when it is not well developed. It is an oxide rich facies with bright red jasper lenses. Upon leaching, the unit produces high grade blue ores.

Upper Iron Formation ("UIF"):

Grey Upper Iron Formation ("GUIF") is a unit that is somewhat similar to PGC, although the overall iron content is usually significantly less. The unit shows disseminated iron oxides in a grey cherty matrix mixed with carbonates and it seldom makes high grade blue ore because of low primary iron content. The unit contains discontinuous bands of ferruginous shale resembling RF, is called red UIF ("RUIF") and produces red ore upon leaching.

Lean Cherty ("LC"), found in the main ore zone around Schefferville, is a unit that is an oxide facies almost void of primary iron oxides The chert displays a variety of colors but is generally green to greenish-grey and the unit seldom produces any ore.

Menihek Formation ("MS"): (thickness 300 m+) A dark, fine-grained, thin to medium bedded

graphitic shale, the formation commonly contains chert laminations, pyrite layers or nodules and its color is almost always black or greenish-grey."

10.0: DEPOSIT TYPE

The Labrador Trough contains four main types of iron deposits:

- Soft iron ores formed by supergene leaching and enrichment of the weakly metamorphosed cherty iron formation; they are composed mainly of friable fine-grained secondary iron oxides (hematite, goethite, limonite).
- Taconites, the fine-grained, weakly metamorphosed iron formations with above average magnetite content and which are also commonly called magnetite iron formation.
- More intensely metamorphosed, coarser-grained iron formations, termed metataconites which contain specular hematite and subordinate amounts of magnetite as the dominant iron minerals.
- Occurrences of hard high-grade hematite ore occur southeast of Schefferville.

The deposits are composed of iron formations of the Lake Superior-type. The Lake Superior-type iron formation consists of banded sedimentary rocks composed principally of bands of iron oxides, magnetite and hematite within quartz (chert)-rich rock, with variable amounts of silicate, carbonate and sulphide lithofacies. Such iron formations have been the principal sources of iron throughout the world.

Table 3: Deposit Model for Lake Superior Type Iron Formation, after Eckstrand (1984)

Commodities	**Fe (Magnetite)**
	Knob Lake, Wabush Lake and Mont-Wright areas, Quebec and Labrador; Mesabi Range, Minnesota; Marquette Range, Michigan; Minas Gerais area, Brazil.
Importance	In Canada, the major source of iron. In the world, the major source of iron.
Typical Grade, Tonnage	Up to billions of tonnes, at grades ranging from 15 to 45% Fe, averaging 30% Fe.
Geological Setting	Continental shelves and slopes possibly contemporaneous with offshore volcanic ridges. Principal development in middle Precambrian shelf sequences marginal to Archean cratons.
Host Rocks or Mineralized Rocks	Iron formations consist mainly of iron-and silica-rich beds; common varieties are taconite, itabirite, banded hematite quartzite, and jaspilite; composed of oxide, silicate and carbonate facies and may also include sulphide facies. Commonly intercalated with other shelf sediments: black
Associated Rocks	Bedded chert and chert breccia, dolomite, stromatolitic dolomite and chert, black shale, argillite, siltstone, quartzite, conglomerate, redbeds, tuff, lava, volcaniclastic rocks; metamorphic equivalents.
Form of Deposit, Distribution of Ore Minerals	Mineable deposits are sedimentary beds with cumulative thickness typically from 30 to 150 m and strike length of several kilometres. In many deposits, repetition of beds caused by isoclinal folding or thrust faulting has produced widths that are economically mineable. Ore mineral distribution is largely determined by primary sedimentary deposition. Granular and oolitic textures common.
Principal Ore Minerals Associated Minerals	Magnetite, hematite, goethite, pyrolusite, manganite, hollandite. Finely laminated chert, quartz, Fe-silicates, Fe-carbonates and Fe-sulphides; primary or metamorphic derivatives
Age, Host Rocks	Precambrian, predominantly early Proterozoic (2.4 to 1.9 Ga).
Age, Ore	Syngenetic, same age as host rocks. In Canada, major deformation during Hudsonian and, in places, Grenvillian orogenies produced mineable thicknesses of iron formation.

Commodities	Fe (Magnetite)
Genetic Model	A preferred model invokes chemical, colloidal and possibly biochemical precipitates of iron and silica in euxinic to oxidizing environments, derived from hydrothermal effusive sources related to fracture systems and offshore volcanic activity. Deposition may be distal from effusive centres and hot spring activity. Other models derive silica and iron from deeply weathered land masses, or by leaching from euxinic sediments. Sedimentary reworking of beds is common. The greater development of Lake Superior-type iron formation in early Proterozoic time has been considered by some to be related to increased atmospheric oxygen content, resulting from biological evolution.
Ore Controls, Guides to Exploration	1. Distribution of iron formation is reasonably well known from aeromagnetic surveys. 2. Oxide facies is the most important, economically, of the iron formation facies. 3. Thick primary sections of iron formation are desirable. 4. Repetition of favourable beds by folding or faulting may be an essential factor in generating widths that are mineable (30 to 150 m). 5. Metamorphism increases grain size, improves metallurgical recovery. 6. Metamorphic mineral assemblages reflect the mineralogy of primary sedimentary facies. 7. Basin analysis and sedimentation modelling indicate controls for facies development, and help define location and distribution of different iron formation facies.

The Sokoman iron formation was formed as a chemical sediment under varied conditions of oxidation-reduction potential (Eh) and hydrogen ion concentrations (pH) in varied depth of seawater. The resulting irregularly bedded, jasper-bearing, granular, oolite and locally conglomeratic sediments are typical of the predominant oxide facies of the Superior-type iron formations, and the Labrador Trough is the largest example of this type.

The facies changes consist commonly of carbonate, silicate and oxide facies. Typical sulphide facies are poorly developed. The mineralogy of the rocks is related to the change in facies during deposition, which reflects changes from shallow to deep-water environments of sedimentation. In general, the oxide facies are irregularly bedded, and locally conglomeratic, having formed in oxidizing shallow-water conditions. Most carbonate facies show deep-water features, except for the presence of minor amounts of granules. The silicate facies are present in between the oxide and carbonate facies, with some textural features indicating deep-water formation.

Each facies contains typical primary minerals, ranging from siderite, minnesotaite, and magnetite-hematite in the carbonate, silicate and oxide facies, respectively. The most common mineral in the Sokoman Formation is chert, which is closely associated with all facies, although it occurs in minor quantities with the silicate facies. Carbonate and silicate lithofacies are present in varying amounts in the oxide members.

The sediments of the Labrador Trough were initially deposited in a stable basin which was subsequently modified by penecontemporaneous tectonic and volcanic activity. Deposition of the iron formation indicates intraformational erosion, redistribution of sediments, and local contamination by volcanic and related clastic material derived from the volcanic centers in the Dyke-Astray area.

11.0 MINERALIZATION

The Project is located within the iron rich Labrador Trough. Past production by the IOCC of over 150 million tons of iron ore occurred from 1954 – 1982. The dominant ore type was direct shipping lump and sinter fine ores.

11.1 Block 103 and Block 44

Previous detailed and regional mapping of Block 103 has identified the Sokoman Formation that host significant iron bearing sediments. Regional and property scale airborne magnetic surveys have defined high and low magnetic trends that are potentially representative of both magnetite and hematite bearing iron formations. Sampling and analysis of outcrops on Block 44 have returned encouraging iron ore content which has not been followed up. These extensive horizons have not been adequately explored to determine the potential of economic iron ore concentrations.

12.0 EXPLORATION

Cap-Ex Ventures Ltd. has not completed exploration on the Project,

Adriana Resources had an option on Block 103 in 2008 and completed a 100 metre line spaced helicopter-borne high resolution magnetic survey to assess Block 103 and the adjacent ground. The survey totaled approximately 670 line kilometres and was completed with a nominal terrain clearance of 50 metres (Figure6) (MPX 2008). The airborne survey identified a number of linear magnetic trends that correspond to previously mapped magnetite iron formation.

Cap-Ex did contract Stephen Reford of Paterson Grant & Watson Limited to model the digital magnetic data from the 2008 airborne magnetic survey on Block 103 (Reford 2011). The modeling focused on five magnetic areas on the southern limbs of Block 103 (Figure 7, Table 4). These models provide a preliminary ranking for the commencement of exploration. Interpretation of the data produced models for 5 magnetic trends that correspond to surface expressions of the topography. The models indicate that the surface expressions should be near surface or the upper parts of the horizon have been oxidized to hematite (Reford 2011).

Table 4: Summary of Modeling Results, Reford (2011)

Model	Mean Depth	Strike Length	Mean Width	Thickness	Volume	Mean Magnetic Susceptibility	Mean Magnetic Susceptibility
	(m)	(m)	(m)	(m)	(m^3)	(SI)	(cgs)
1	123	1920	174	150	5.0112E+07	2.54	0.2021
2	32	460	90	140	5.7960E+06	1.16	0.0923
3	0	980	117	140	1.6052E+07	0.78	0.0621
4	0	1910	160	140	4.2784E+07	0.41	0.0326
5	81	1160	117	140	1.9001E+07	2.31	0.1838

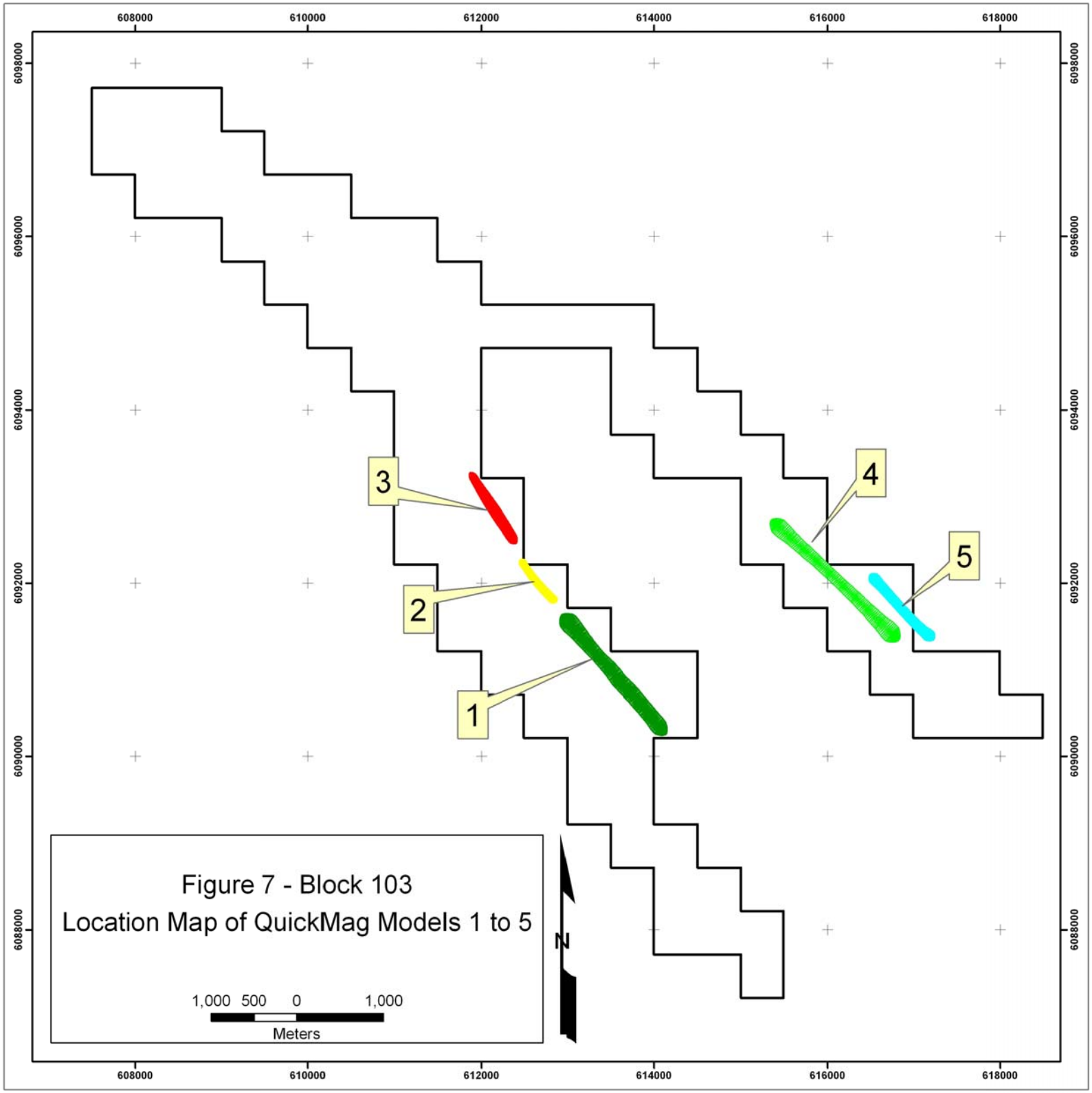


Figure 7 - Block 103
Location Map of QuickMag Models 1 to 5

13.0 DRILLING

Cap-Ex Ventures Ltd. has not completed drilling on the Project. The only known diamond drilling on the Project is described in Section 8.0.

14.0 SAMPLING METHOD AND APPROACH

Not applicable.

15.0 SAMPLE PREPARATION, ANALYSES AND SECURITY

Not applicable.

16.0 DATA VERIFICATION

The data presented in this Report has come primarily from reports archived in the assessment files at the Department of Natural Resources, Newfoundland and Labrador, files provided by Cap-Ex and files sourced through Sedar.com. The author has reviewed the historical data, and can verify that the information has been presented accurately as it exists in those files and reports to the best of his ability. Those reports, and the assessment files, contain the assay certificates and other supporting documentation for the data presented for the most recent work on the Property.

17.0 ADJACENT PROPERTIES

New Millennium Capital Corp. has been developing its 80% owned LabMag Iron Ore project immediately southwest of the Block 103 and the 100% owned Direct Shipping Ore Project (DSO) that lies northwest and southeast of Block 103 (Figure 8). Both projects are hosted in the same rock types that underlay Block 103. The DSO project is comprised of a series of 10 distinct deposits. A 43-101 compliant mineral reserve estimate for 8 of the deposits is 52.5 million tones of 58.9% Fe, 0.56% Mn and 7.6% SiO2 (39% proven and 61% probable) (Met-Chem 2009). The DSO reserve estimates are based on engineered pits using economic pit limits. The LabMag project has a 43-101 compliant measured (3.084 million tonnes @ 29.8% iron) and indicated (0.581 million tonnes @ 28.8% iron) resource of 3.665 million tonnes grading 29.6% iron, using an 18% grade cutoff (Watt, Griffis & McQuat 2006).

Labrador Iron Mines Holdings Limited (LIM) Iron Ore Project is a collection of iron deposits that are on strike north and south of Block 103. These deposits are all located within 10-30 kilometres of Block 103. Most of the projects are past exploration and development sites worked by IOCC. The total of the indicated 43-101 compliant resource of three of the deposits is 11.031 million tonnes at a grade of 57.4% Iron (Kroon 2010). Commercial production is forecast for 2011.

For all resource or reserve figures presented above the authors have not reviewed or audited the methods of calculations or databases but have relied on the figures as presented within SEDAR filed reports.

The authors of this report have been unable to verify the information stated above and that the information is not necessarily indicative of the mineralization on the property that is the subject of this technical report.

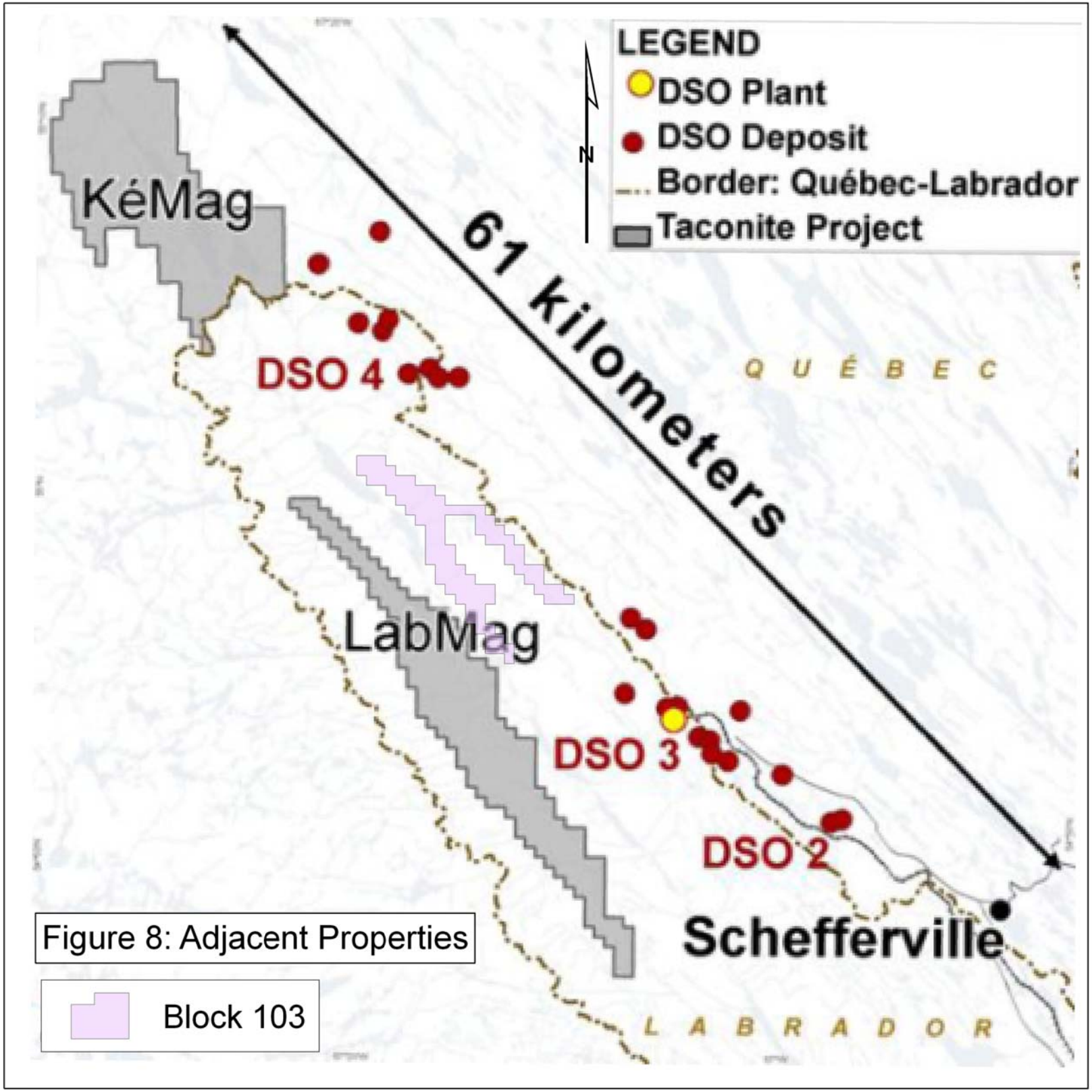


Figure 8: Adjacent Properties

18.0 MINERAL PROCESSING AND METALLURGICAL TESTING

Not applicable.

19.0 MINERAL RESOURCE AND MINERAL RESERVE ESTIMATES

Not applicable.

20.0 OTHER RELEVANT DATA AND INFORMATION

There is no other data relevant to the property.

21.0 INTERPRETATION AND CONCLUSIONS

The Project has had sufficient preliminary exploration to indicate the excellent potential to hosting economic concentrations of iron. The previous airborne and ground magnetic surveys have verified the occurrence of highly magnetic horizons that would correspond to magnetite bearing rocks. Magnetic lows have been identified and interpreted as potential hematite hosting zones. The magnetic interpretation on Block 103 by Reford (2011) has modeled 5 priority exploration targets that correspond to surface topography and the magnetic features are near surface. Historical surface samples from Block 44 have confirmed the existence of high iron content iron formation that has not been fully evaluated.

A comprehensive exploration program should focus defining the iron formations on the Project to determine the extent of the potential economic iron concentrations.

22.0 RECOMMENDATIONS

A budget of $2,080,000 is recommended to evaluate the potential of the Project to host economic concentrations of iron. The work program is to be comprised of airborne and ground geophysics, geological mapping, compilation and diamond drilling.

22.1 Block 103

Block 103 recommended exploration will be comprised of diamond drilling, ground geophysics, geological mapping, stripping, sampling and mineral analysis.

- A 3000 metre diamond drilling program will commence utilizing two light weight drill rigs capable of drilling NQ or BTW core. One drill rig will be helicopter supported to access sites away from the gravel access road. The second drill rig will be supported by skidder or bulldozer. Drill targets will be focused on the extent of the 5 modeled targets with spacing of 200 metres along strike. The drill holes should be completed as two holes from each setup at angles of -45 and -65 degrees. These drill holes will allow the determination of strike extent, dip and widths of the iron formations. In assessing the magnetic highs and lows determination of the iron content of the magnetite or hematite bearing, horizons can be completed. Core will be transported to a central location in a warehouse rented in Schefferville. Core processing will be completed in the warehouse by the Cap-ex consultants. The drill rigs will require 4 drillers and 4 helpers to operate (potentially helper could be local hires). A foreman and a helper and helicopter support. Depending on availability of accommodations the drill contractor may elect to set up camp facilities on the property. Geological support staff required would be 2 intermediate level geologists to log core, one junior geologist to complete core orientations, coordinate sampling and measurements and 3 labourer (local hires) to move, stack, and diamond blade cut core. Also required would be a senior geologist to manage the program, select drill sites and coordinate the data bases created. A consulting Iron Deposit specialist is recommended on a consulting basis to help direct the program.
- Ground magnetic and gravity surveys and geological mapping are recommended to help delineate the magnetic features defined in the airborne magnetic survey. A contract line cutting crew should be engaged to establish various small grids of 10 to 40 kilometres with line spacing of 50 to 100 metres. The grids would provide control for the contracted geophysical surveys and geological mapping. Support of the program would be via helicopter or gravel road. The geophysical data and geological mapping coupled with the diamond drill holes will provide a determination of the extent of the iron bearing stratigraphic units.
- A stripping and sampling program will be used to allow detailed mapping and grade assessment of areas near the gravel road. The stripping will be completed utilizing a backhoe and then washed with a high pressure water pump. This will produce areas to be detailed mapped and continuously sampled across and along strike. Sampling

will be completed by diamond bladed saw cutting channel samples. Each sample will be cut approximately 4-6 centimetres wide and 10 to 15 centimetres deep.

- Mineral analysis of various samples from the above programs will be completed to provide metallurgical data to evaluate the potential recovery of both magnetite and hematite at reasonable grinding fractions. Davis Tube magnetic Tests will be completed to predict magnetite recoveries of magnetic samples.

22.2 Block 44

Block 44 recommended exploration will be comprised of ground and airborne geophysics surveys, geological mapping and sampling.

- A helicopter airborne magnetic survey will be completed over the entire claims. The 200 kilometre survey will be completed at 75 metre spacing using east west flight lines. Samples. This will assist in defining the iron formation units on the property. The closed spaced flight lines will assist in defining the thickened areas of the formations.
- A fixed wing gravity survey will be completed to provide data to be used in conjunction of the magnetic survey to determine areas of potential hematite bearing zones within the magnetic trends.
- Ground magnetic and gravity surveys will target the areas already identified by the IOCC exploration to better define the dimensions and extent of the mineralization. Gris will be established at 50 metre spacing to provide control for the surveys.
- Geological mapping both on the grids and on a reconnaissance basis will be completed to determine the surface expression of the lithological units and assist in structural analysis. Sampling will be used to determine the iron content of the various iron units.

It is the opinion of the authors that the Property is of sufficient merit to justify the recommended program.

Cap-Ex Ventures Ltd.					
Proposed Budget					
BLOCK 103					
Proposed Work		**Rate**	**Units**	**Cost**	
Diamond Drilling	Helicopter and machine supported. Inclusive rate	350 / metre	3000 metres	1,050,000	
Ground geophysics	Line cutting , magnetics and gravity Helicopter and ground supported Inclusive Rate	1300 / kilometre	100 kilometres	130,000	
Geologic Mapping	Helicopter and ground supported Inclusive rate	1800 / day	40 days	72,000	
Stripping and Sampling	Ground supported. Backhoe or bulldozer. Detailed mapping and sampling	1500 / day	40 days	60,000	
Mineral Analysis	Metallurgical Determination			60,000	
Mobilization of men and equipment	Men, drills and helicopter			100,000	
Contingency	Includes allowance for possible metallurgical testing, cost overruns and First Nations consulting			117,000	
Total Block 103				1,649,000	
Block 44					
Airborne Magnetics	Helicopter Borne magnetics and Fixed wing gravity 75 metre spacing	300 / kilometre	100 kilometres	300,000	
Ground geophysics	Line cutting , magnetics and gravity Helicopter and ground supported Inclusive Rate	1300 / kilometre	50	65,000	
Geologic Mapping	Helicopter and ground supported Inclusive rate	1800 / day	20 days	36,000	
Contingency	Includes allowance for possible metallurgical testing, cost overruns and First Nations consulting,			30,000	
Total Block 44				431,000	
TOTAL BUDGET				**2,080,000**	

23.0 REFERENCES

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24.0 DATE

This report is respectfully submitted this 8th Day of February, 2011.

“J. Garry Clark”	“Alojzy A. Walus”
_____	_____
J. Garry Clark	Alojzy A. Walus

25.0 STATEMENT OF QUALIFICATIONS

J. Garry Clark
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Email: gjclark@tbaytel.net

CERTIFICATE OF QUALIFIED PERSON

I, J. Garry Clark, P. Geo. (#0254), do hereby certify that:

1. I am a consulting geologist with an office at 1000 Alloy Dr., Thunder Bay, Ontario

2. I graduated with the degree of Honours Bachelor of Science (Geology) from Lakehead University, Thunder Bay, in 1983. I have been employed continually in the exploration field since graduation. I was employed by Steeprock Resources (1983-1984) at the Atikokan Iron Deposits.

3. "Technical Report" refers to the report titled "Technical Report Schefferville, Block 103-Kiviviv Lake / Block 44-Petitsikapau Lake, Western Labrador" Newfoundland and Labrador, Canada, and dated February 8th, 2011.

4. I am a registered Professional Geoscientist with the Association of Professional Geoscientists of Ontario (#0254) and a member Ontario Prospectors Association.

5. I have worked as a Geologist for 26 years since my graduation from university.

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

7. I have not visited the Properties.

8. I am responsible for the preparation of the Technical Report.

9. I am independent of the party or parties (the "issuer") involved in the transaction for which the Technical Report is required, other than providing consulting services, and in the application of all of the tests in section 1.4 of NI 43-101.

10. I have had no prior involvement with the mineral Property that forms the subject of this Technical Report.

11. I have read NI-43-101 and Form 43-101F1, and the Technical Report has been

prepared in compliance with that Instrument and Form.

12. As of the date of this certificate, and to the best of my knowledge, information and belief, the Technical Report contains all scientific and technical information that is required to be disclosed to make the Technical Report not misleading.

Dated this 8th Day of February, 2011.

SIGNED

“J. Garry Clark”

_____

J. Garry Clark, P.Geo.

I, Alojzy Aleksander Walus, of 8546-164 Street, Surrey, in the Province of British Columbia, do hereby certify that:

1. I am a graduate of the University of Wroclaw, Poland and hold M.Sc. Degree in Geology.
2. I have been practicing my profession continuously since graduation. I have worked in Canada from 1988 until now as a geologist with several exploration companies.
3. I am a member in good standing of the Association of Professional Engineers and Geoscientists of the Province of British Columbia (License #24404).
4. This certificate relates to the National Instrument 43-101 Technical Report titled "Technical Report Schefferville, Block 103-Kiviviv Lake / Block 44-Petitsikapau Lake, Western Labrador Newfoundland" and dated February 8, 2011.
5. I am familiar with iron ore deposits. I worked for six months in 1986 with a government owned mining company on similar iron deposits in southern Poland. Also, in August of 1995 I worked with Teuton Resources on the Max iron deposit in the Stewart area, BC.
6. I am the co-author of the report and responsible for the site visit. I visited the property on February 2 and 3, 2011.
7. I authorize Cap-Ex Ventures Ltd to use information in this Technical Report or portions of it in its prospectus, any brochures, promotional material or company reports and I consent to the filling of the Technical Report with any stock exchange and any other regulatory authority and any publication by them, including electronic publication in the public company files on their websites accessible by the public, of the Technical Report.
8. I am not aware of any material fact or material change with respect to the subject matter of the Technical Report that is not reflected in the Technical Report, the omission to disclose which makes the Technical Report misleading.
9. I am independent of the party or parties (the "issuer") involved in the transaction for which the Technical report is required, other than providing consulting services, and in the application of all of the tests in section 1.4 of NI 43-101.
10 I have no prior involvement with the mineral property which forms the subject of this report.
11. I have read the National Instrument 43-101 and Form 43-101FI, and the Technical Report has been prepared in compliance with the information contained in this Form.

Submitted this 8 day of February, 2011

Signed "Alojzy A. Walus''

_____

Alojzy A. Walus, Qualified Person
8546 – 164th Street
Surrey, BC V4N 1E