

**Report on the
2005 Diamond Drilling Program**

on the

**Silver Stream Property
UTM 532,500E, 5,639,500N Zone 10
NTS 92J 15
Lillooet Mining Division
British Columbia
Canada**

For:

**Gray Rock Resources Ltd.
Suite 400-455 Granville Street
Vancouver, B.C.
Canada V6C 1T1**

Prepared by:

**Robert E. "Ned" Reid, P.Geo.
#16 - 231 Hartley Street
Quesnel, BC V2J 1V8**

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Summary

The Silver Stream Property consists of a mineral tenure, 511149 covering 1283.895 hectares. The property straddles Marshall Creek and the Marshall Creek logging road approximately 10 kilometers west northwest from its junction with Highway 40, the Lillooet-Gold Bridge highway (Figs. 1 & 2). The property is 25 kilometers east-northeast of Gold Bridge and the Bridge River gold mining camp. This camp includes the Bralorne, Pioneer, Wayside, Minto and Congress gold mines, along with a multitude undeveloped gold showings and is the largest historic lode gold producing area in the Canadian Cordillera, with over 4.1 million ounces of recorded gold production. The Silver Stream Property is on the eastern edge of the camp and shows no indicative surficial features and hence was probably not located until recent advances in geochemical techniques

The Silver Stream property lies within a structurally complex, northwest trending belt of Mesozoic sedimentary and volcanic rocks flanking the northeastern margin of the Coast Plutonic Complex (Fig. 3a). Northwest to north trending, steeply dipping regional scale fault zones, such as the Marshall Creek fault zone and the Yalakom/Bridge River Fault, dominate the structural fabric in the area (Fig. 4). These faults have a complex history of mid-Cretaceous to Tertiary compressional, strike-slip and extensional deformation.

Mineral occurrences in the area of the property are concentrated between the Marshall Creek and Yalakom faults in a belt of relatively high-grade metamorphic rocks (Fig. 3b). There are nephrite jade deposits in the serpentinite and listwanite rocks as well as precious metal bearing veins, generally associated with the main structures.

The property was originally staked in 1987, apparently due to other exploration programs being undertaken in the general area at that time, and that the relationship between listwanite and gold was known to the original claim staker. Preliminary exploration programs, along a trend of greater than one kilometer in length, consisting of geological mapping, soil and rock sampling, ground geophysics and mechanized trenching were carried out from 1987 to 1996. Two zones hosting anomalous gold values, referred to as the western and southeastern anomalies, were outlined. Trenching in the western anomaly in 1995 exposed a mineralized shear zone ranging from one to four meters wide and at least 45 meters in strike that returned the following values:

- 8.9g/t gold over 2.8 meters
- 5.8g/t gold over 1.2 meters
- 9.6g/t gold over 1.0 meter
- 28.4 and 48.0 g/t from grab samples along strike

Trenching in the southeastern anomaly in 1991 indicated that a series of parallel gold bearing shears, returning results as high as 0.479oz/t gold are associated with the anomaly.

Based on historical indications within the “camp” these results were considered encouraging enough to justify testing these shear zone and the diamond drill program as proposed by Kuran, 1996 and reiterated by Dunn, 2004 commenced in July 2005. For several reasons only three of the proposed seven holes were drilled.

Two NQ holes, totaling 246.57 meters were drilled on the west zone during the program. (Fig. 5) Blocky ground, loss of return water, and a number of other problems resulted in poor core recovery and the suspension of hole 1 before reaching proposed depth.

DDH SS 05-01, returned anomalous results of: 7.3 g/t gold over 2 meters and 5.41 g/t gold over 9.14 meters from within two separate intervals of chert breccia

DDH SS 05-02, was collared 50 meters southeast of, and along the interpreted structural trend intersected in hole 1. Hole 2 returned no anomalous gold values, and due to differing lithology than hole 1, it is suggested that the "original interpreted" structural trend is incorrect.

Further programs are warranted on the west zone to delineate the anomalous gold values intersected in DDH SS 05-01 as well as fulfill the original intent of the 2005 program in testing the area where gold values were encountered in the 1995 trenching. The trenching area was not undercut by the 2005 holes due to drilling problems.

DDH SS 05-03 (151.49 m) was drilled on the eastern edge of the southeastern anomaly.(Fig. 6). No anomalous results were returned from the core, although one anomalous result was reported in the sludge samples. Detailed review of the core in the anomalous sludge area revealed no explanation. The bulk of the southeastern anomaly remains untested.

The limited 2005 drill program encountered a "new" area of gold mineralization while failing to adequately test the areas previously indicated. Further exploration is definitely warranted on this, greater than one kilometer long by one half kilometer wide anomalous gold target. A program of detailed geological mapping, accompanied with an excavator in accessible areas, is step one in an attempt to "properly" orient holes so as to obtain better core recovery. This to be followed by drilling the "original" target areas, additional drilling in the SS 05-01 intercept area and a series of holes to test the listwanite contacts near the ridge north of the current showings. An estimated 2,100 meters in 14 holes will be required for this phase.

The estimated cost for the above program is \$300,000.

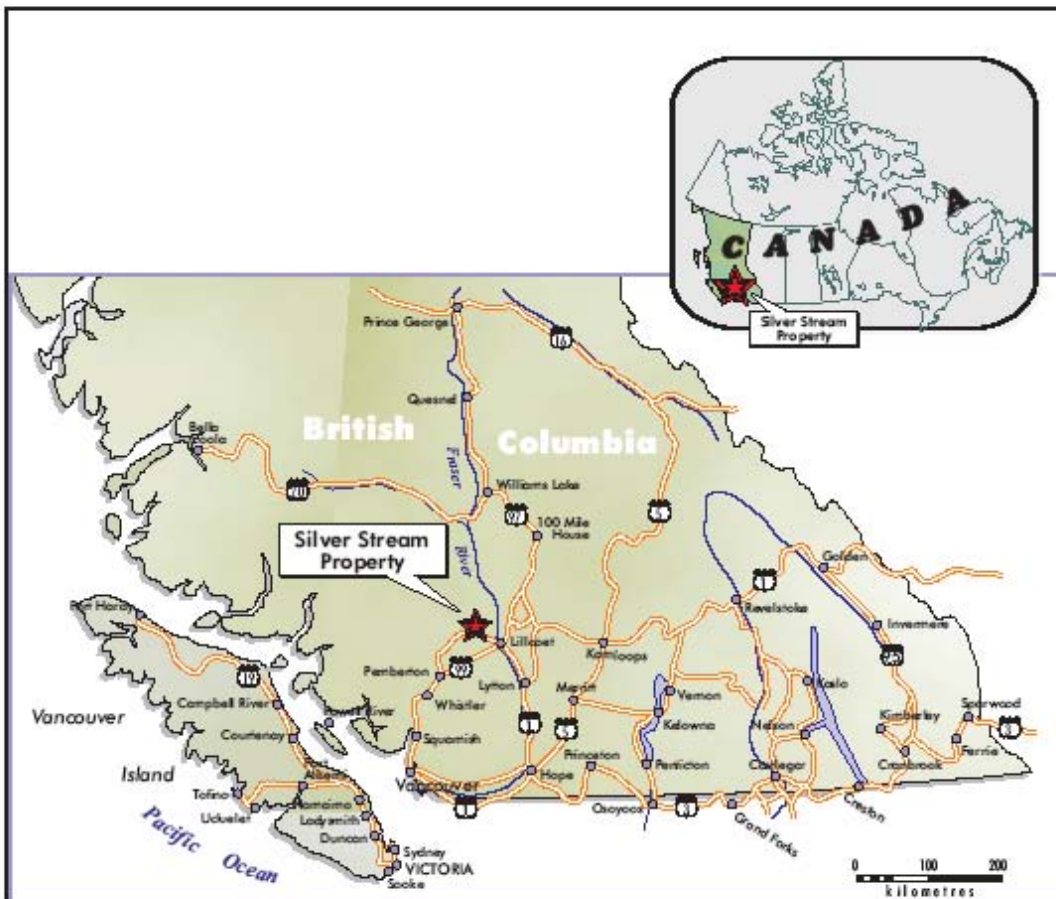
Introduction and Terms of Reference

Mr. David Wolfin, President of Gray Rock Resources Ltd. commissioned this report.

The purpose of this report is to present the results of the 2005 diamond drill program conducted on the Silver Steam property, along with recommendations for further warranted exploration programs in a NI 43-102 compliant format acceptable to The Securities Exchange in facilitating the public listing of Gray Rock Resources Ltd. and/or other regulatory requirements; and/or to assist in private or public financing. The recommendations are revised in this July 29, edition to comply with a request from the TSX Venture Exchange.

The author is solely responsible for the technical data relating to the diamond drill program and recommendations contained in this report. The accessibility, history, geology, deposit types and mineralization sections of the report are basically reiterations from reports by Kuran 1996 and Dunn 2004, both of whom compiled reports on the Silver Stream property for Gray Rock Resources Ltd.

The author was on the property several times during July and August 2005 on orientation tours, supervising drill moves and was directly responsible for core handling, examination and sampling.



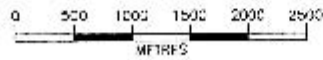
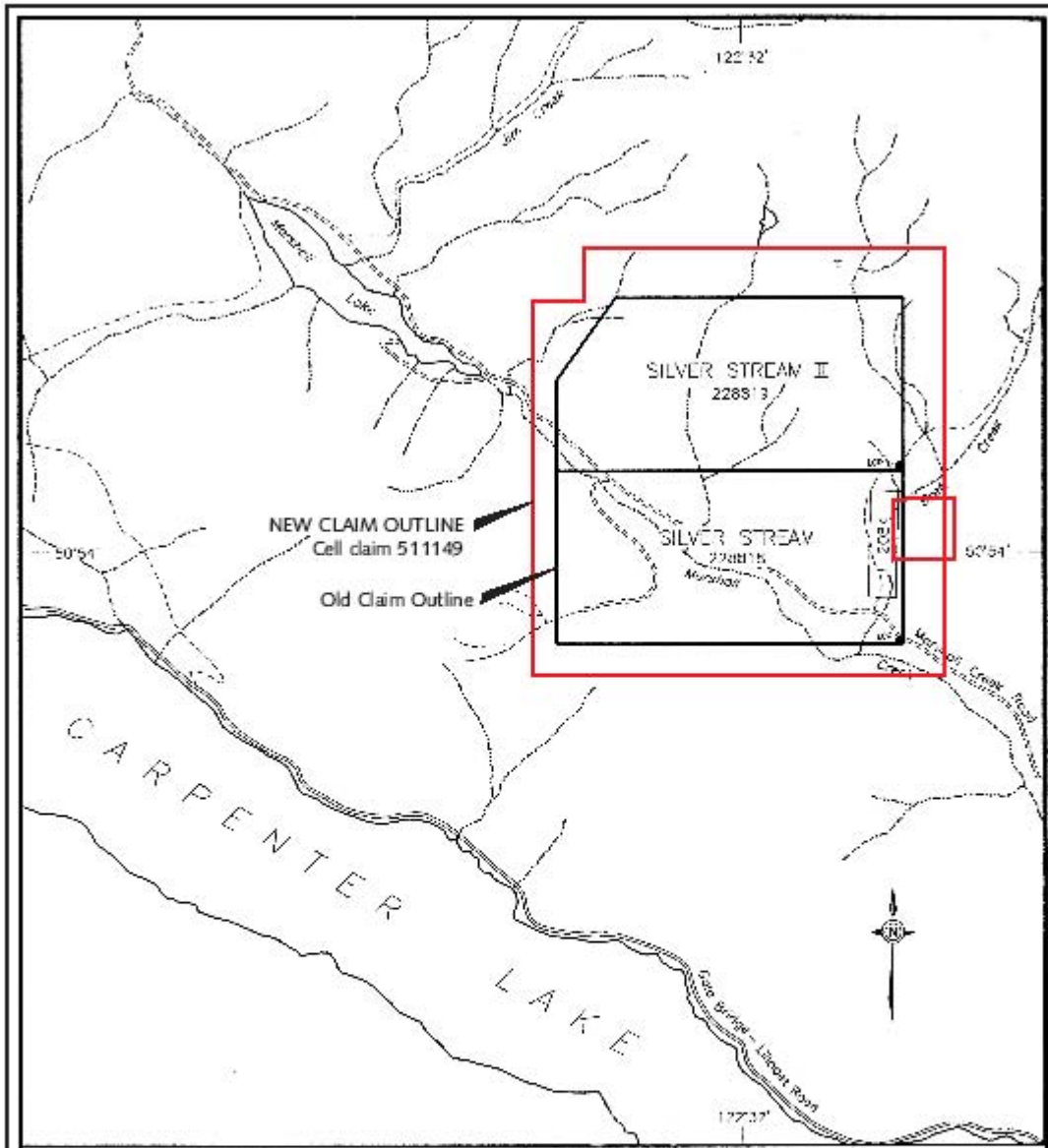
Gray Rock Resources Ltd.

SILVER STREAM PROJECT

Lillooet M.D. British Columbia

General Location Map

Scale	as shown	UTM	NAD83 Zone 10	Pg 1
Date	December 2005	TRN	92.1.088.0.98	
By	ned/AGL	NS	92.115.16	



Gray Rock Resources Ltd.

SILVER STREAM PROJECT

Ulkoat M.D. British Columbia

Claim Location Map

Scale	as shown	UTM	NAD83 Zone 10	Pg 2
Date	December 2005	TBM	92.1.088.0.98	
By	med/AGB	NS	92.1.15.06	

Property Description and Location

The Silver Stream property consists of mineral tenure 511149 covering 1283.895 hectares (Fig. 2). The claim surrounds two preexisting mineral leases, L2084 and L2085, which are held by other parties. These leases total 41.4 hectares, thus reducing 511149, by a similar amount. These leases are reported to cover nephrite jade deposits and hence are of no relevance to this report.

The Silver Stream property is located in the Lillooet Mining Division, British Columbia, Canada, approximately 25 kilometers east northeast of the Village of Gold Bridge. This area can be located on 1:50,000 scale NTS map 092J15 or on 1:20,000 scale trim maps 092J 088, 098. The center of the property is located near UTM coordinates 532,500E 5,639,000 N Zone 10 (Fig. 1).

Tenure 511149 is basically a mineral claim covering the original "staked" area (tenures 228818 and 228819) that was converted to "cell" units under British Columbia's new MTO computer system. Provisions were made in the introduction of the MTO system for the holders of existing "located" mineral claims to convert to the cell system.

The MTO system divided the province into a number of individually identified small squares or cells, based on latitude and longitude, that may be applied for individually or in aggregate to form a mineral tenure. Under the MTO cell system property boundaries are map coordinates hence physical location lines are not required.

With conversion to "cell" units the property went back to "square one" as per assessment requirements which means, that from year 1 - 3, the applicable assessment work required is \$4 per hectare and \$8 per hectare in years 4 plus. Tenure 511149 is currently in good standing until 2007/Mar/23.

The recorded holder of a mineral claim (tenure) may produce ore from a claim in accordance with the regulations. Surface rights are held by the crown and may be acquired subject to certain conditions.

Gray Rock holds a 100% interest in mineral tenure (claim) 511149. There are no known encumbrances against the tenure.

There are a number of mineral showings on the property as shown on the accompanying plans (Fig. 5, 6, 7) although none currently qualify as a mineral resource.

There are no known environmental liabilities associated with the property.

Prior to conducting work on a mineral property it is necessary to file a Notice of Work with the Ministry of Energy and Mines and obtain permission before proceeding with a program. For programs involving mechanical disturbance of the surface a normal

requirement, prior to proceeding, is to post a reclamation bond. A permit was applied for, a bond was posted and the Silver Stream program is being conducted under: Amended Mines Act Permit MX-3-163: Approval # 05-0300434-0331.

Information regarding mineral tenure and regulations is found at:

<http://www.em.gov.bc.ca/mining/titles/legislation/legislation.htm>

Accessibility, Climate, Local Resources, Infrastructure and Physiography

Topography on the property is moderate to rugged. The Marshall Creek valley crosses the southern half of the claims at approximately 120°. This valley is U shaped with a relatively flat bottom, 500 to 700 meters wide. Topography rises sharply to the southwest and northeast. Elevations range from 1060 meters asl in the southeast corner of the property on Marshall Creek to 2050 meters asl in the north central part of the property. Vegetation consists of mature pine, fir, and larch on the slopes of the property, some of which has been logged and some of the Marshall Creek valley bottom has been cleared for grazing and agriculture.

The property is easily accessible by road from Lillooet or Gold Bridge. From Lillooet, proceed 65 kilometers west on paved B.C. Highway 40 to the Marshall Creek forest access road, then northwest on the gravel Marshall Creek forest access road approximately eight kilometers to the property. A network of logging roads, skidder trails and historic mining access trails cover the area of interest on the property. Access is possible to the property by two-wheel drive but four-wheel drive is necessary for some of the trails on the property.

The property is approximately 45 minutes by automobile from the city of Lillooet, a historic mining centre with a population of approximately 2,740. All services necessary to supply the recommended program are available in Lillooet. All services and workers to supply a small mining operation are also available in the Lillooet area.

The climate in the area of the property typically consists of cold winters, with minimum temperatures of -40°C and cool summers with maximum temperatures of 25°C. Precipitation exceeds 1000 mm, much accumulating as snow at higher elevations in the winter. The effective exploration season is from mid-May to the end of October.

The crown holds surface rights in the area of the proposed work. Part of the Marshall Creek valley bottom is privately owned and used for grazing and recreational residential but access to the property is on public roads.

Mineral claims in B.C. confer the right to access and develop mineral resources on the property. If sufficient resources can be outlined to justify a mining operation, application would be made to the B.C. government to convert the relevant mineral claims to mineral leases. A mineral lease confers surface rights sufficient to develop the mineral

resources outlined. No impediment to the granting of leases is foreseen.

Electrical power is available from the B.C. provincial grid two kilometers south of the property. Sufficient water for mining purposes is available from Marshall Creek, Brett Creek and a number of their tributaries on the property.

History

The Silver Stream property was staked in 1987 by Randy Polischuk (who is a part time prospector and a member of a family with a long history in the mining industry in the Bridge River Gold Camp) following a road construction program for a local logging company, which exposed “rock and structure” which he recognized as being significant as a possible gold bearing host.

Caldera Resources Ltd subsequently optioned the property and conducted a number of exploration programs during 1988 through 1991 (Table 1), which led to the discovery and partial definition of the western and southeast anomalous gold zones (Figs. 5, 6 & 7) before allowing the option to lapse.

Gray Rock Resources Ltd. optioned the property in 1995 and after completing additional exploration programs, (Table 1) making cash payment and with issuing stock, now has a 100% in the property.

Gray Rock's 1996 through 2004 exploration programs were basically oriented at further definition of the western and southeastern anomalous zones and led to the decision to test the area by diamond drilling which commenced in 2005.

The Bridge River District has had a successful mining history, with several significant gold producers such as the Bralorne, Pioneer, Congress and Minto Mines. The Bridge River first attracted the attention of early placer miners in the 1800's. Properties were staked in the Bralorne/Pioneer area in 1896, twenty-five kilometers southwest of the property. This district is the largest gold camp in the Canadian Cordillera, with recorded past production of 129.24 tonnes or 4,155,627 ounces of gold from 7.2 million tonnes averaging 17.95 grams gold per tonne from low sulphide mesothermal quartz veins.

Table 1: Summary of Historic Work

YEAR	OPERATOR	EXPLORATION
1988-1989	Caldera Resources Ltd.	25.9 km grid, 147 rock samples, 958 soil samples, 19.3 km Mag, 12.2 VLF-em, 13 trenches totaling 329 meters.
1990	Caldera Resources Ltd.	12 trenches, 1,113.5 cubic meters extracted.
1991	Caldera Resources Ltd.	3 trenches
1991	Caldera Resources Ltd.	Check sampling
1995	Gray Rock Resources	202 soil samples, 28 trenches, 127 rock samples
1996	Gray Rock Resources	414 soil samples, 6 trenches totaling 325 meters, 130 rock samples.

Geological Setting

The property is situated within a belt of structurally complex, northwest trending Mesozoic sedimentary and volcanic rocks flanking the northeastern margin of the Coast Plutonic Complex (Fig. 3a). Four tectonostratigraphic assemblages underlie the area, the Shulaps Ultramafic Complex, the Bridge River Complex, the Cadwallader Terrane and the Tyaughton Basin (Schiarizza et al., 1989 and 1990).

The Shulaps Ultramafic Complex is a dismembered ophiolitic sequence, pre middle Cretaceous in age, comprised of serpentized ultramafics and a serpentinite mélangé of ultramafic, gabbroic, volcanic and sedimentary rocks. The Bridge River Complex is comprised of a sequence of imbricated chert, intermediate volcanics, gabbro, limestone, blueschist and clastic rocks ranging in age from Permian (?) to Jurassic which are fault bounded portions of another ophiolitic complex. The Upper Triassic Cadwallader Terrane is composed of intermediate volcanics and chert of island arc affinity. The Upper Jurassic to Early Cretaceous Tyaughton Basin rocks are shallow marine clastic back arc sediments. These rocks are stacked in complex, fault bounded relationships, generally parallel to the strong northwest trending regional fabric.

Intrusive rocks in the belt are Late Cretaceous to Eocene. Intermediate to felsic stocks and dykes that are unconformably overlain by Eocene volcanic and sedimentary rocks and by Miocene to Pliocene plateau basalts. Late Cretaceous granite to quartz diorite of the Coast Plutonic Complex occurs along the southern margin of the belt. Northwest to north trending, steeply dipping faults, such as the Marshall Creek fault and the Yalakom/Bridge River fault dominate the region. These faults record a complex history of mid-Cretaceous to Tertiary compressional, strike-slip and extensional deformation.

The geologic features of the Silver Stream property are summarized in Figure 5 of this report and have been described by Allen et al. (1989). The geology of the Silver Stream property, which is referred to as the Marshall Creek property is described as follows:

"Property Geology

The Marshall Creek property is underlain mainly by rocks of the Bridge River Complex, which are intruded by felsic dykes and numerous dykes of serpentinite and their altered equivalents. The property straddles the Marshall Creek fault zone, which appears to be about 700 meters wide. Slices or fault bounded wedges of serpentinite, listwanite and diorite occur in and parallel to the fault.

The sedimentary rocks, which underlie the property, include argillite, phyllite (Map Unit 1a) and chert (Map Unit 1ac). The argillite and phyllite are usually grey to greenish grey in color and thickly bedded. A weakly to moderately developed foliation appears to parallel bedding, which generally trends east northeasterly to easterly with moderate to steep dips to the north. The chert is grey in color and locally occurs in beds ranging from two to ten centimeters thick, separated by these argillite beds.

Diorite (Map Unit 3) occurs in float and outcrop. The limited amount of outcrop in the general claim area renders it difficult to determine how widespread the diorite is. Presumably the diorite could be classified as part of the "Bralorne Intrusion" of Cairnes (1937), one of the oldest igneous units in the Bridge River gold camp. The diorite is medium to coarse grained and contains abundant quartz veins in the outcrop on line 6+50E at station 2+50N.

Serpentinite (Map Unit 4) occurs as a number of dykes and/or fault-bounded slices. Two varieties are present. The dyke in the northern part of the property is dark green in color and appears to be a serpentinitized diorite or peridotite. Elsewhere, the serpentinite is medium to bright emerald green in color and is strongly foliated. Foliation trends are also east northeasterly to easterly with moderate to steep northerly dips, although mapping indicates northwesterly trend sub parallel to the Marshall Creek fault zone.

Listwanite (Map Unit 5) occurs as several elongated bodies up to 100 meters wide and at least 1000 meters along in the southeastern part of the claim group. It was also noted in reconnaissance mapping along the contact of the northernmost body of serpentinite. Outcrops are massive and locally cliff forming, i.e. they tend to stand out above the more recessive-weathering argillite and phyllite. The listwanite is light grey to green in color and weathers to a rusty brown. The rock is composed of magnesite (magnesium-rich carbonate) and quartz with minor amounts of talc, chlorite and fuchsite. Trace to minor amounts of disseminated chromite and pyrite are common. Vuggy quartz veinlets ranging in width from 0.1 to 2 centimeters are locally present.

A prominent east-west feldspar porphyry dyke, presumably related to the Hog Creek stock, which lies immediately to the east of Brett Creek, cuts across the central part of the property. The rock consists of 1 to 3 millimeter phenocrysts of feldspar and chloritized biotite along with 0.5 to 1% disseminated pyrite in a light grey aphanitic groundmass. Scattered small feldspar porphyry dykes also occur in the grid area.

Except for the steepest slopes, the property is uniformly covered with a layer of unconsolidated volcanic ash (Bridge River Ash) derived from a volcanic eruption that occurred some 2400 years ago. In grain size it ranges from dust to one-centimeter fragments of dacite pumice. It forms a layer up to 0.6 meters thick on top of the soil profile.

Structure

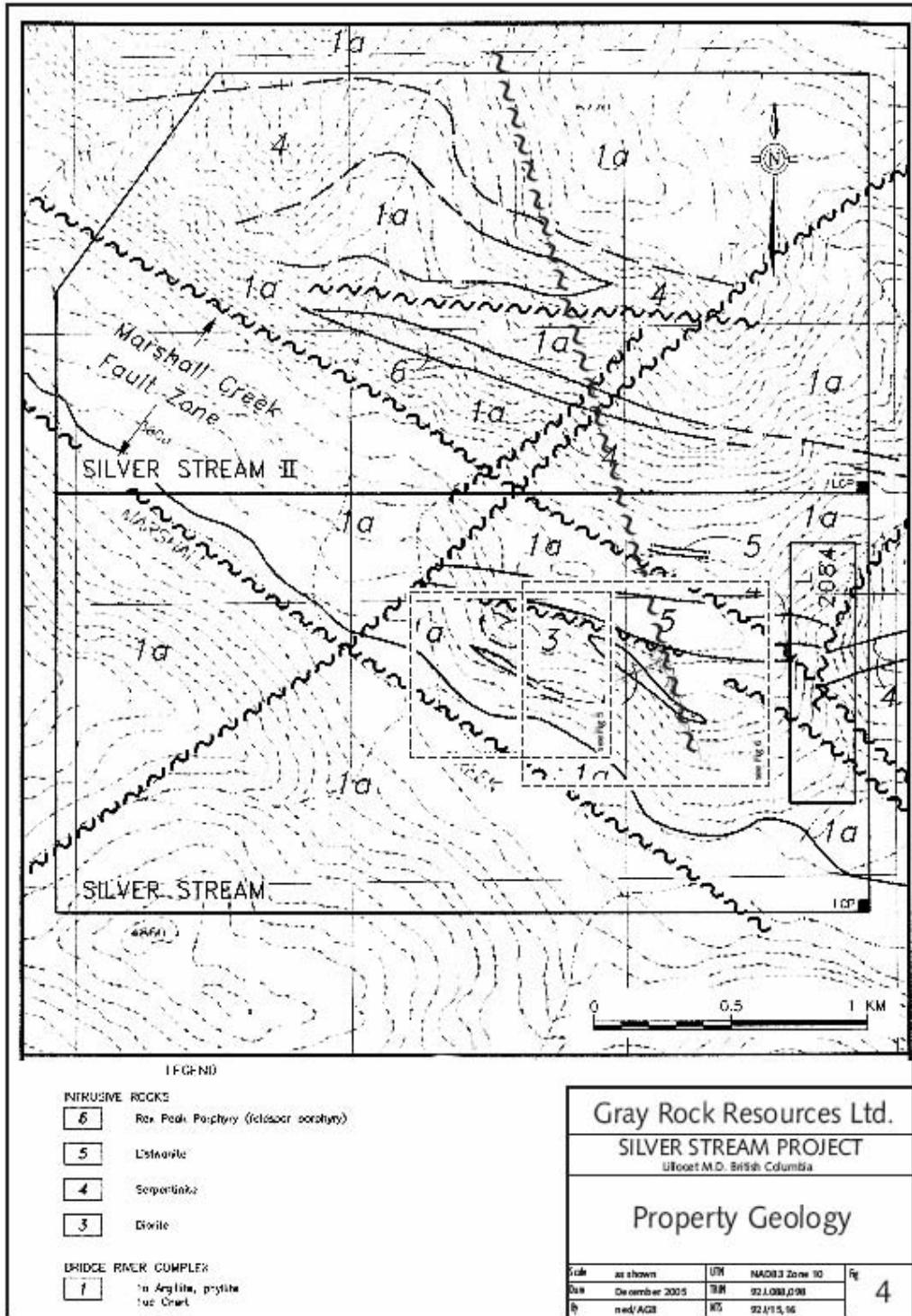
Preliminary mapping on the Marshall Creek property indicates that the detailed structure is complex. The property straddles the northwest-southeast-trending Marshall Lake fault zone. Within this fault zone are numerous slabs, dykes or fault slices of serpentinite. Cross-faulting is evident by the presence of topographic linears, and by a number of magnetic and VLF electromagnetic anomalies, all of which trend north-northeasterly. More detailed mapping and geophysical surveys are needed to define these structures.

Alteration and Mineralization

Massive bodies of listwanite (described above-Map Unit 5) on the Marshall Creek property are presumably derived from complete carbonatization of pre-existing serpentinite. The calcium, iron and magnesium - bearing silicates in serpentinite have been converted to carbonates. Released silica forms free quartz and any free chromium is converted to fuchsite, a chromium-rich mica. Locally, listwanite carries scattered vuggy quartz veinlets up to two centimeters wide and lined with quartz crystals. Trace to minor amounts of disseminated pyrite and chromite are present in some of the trenches.

Disseminated pyrite (up to 1%) occurs in the feldspar porphyry unit and in argillized feldspar porphyry observed in some of the trenches.

Abundant quartz veins occur in the diorite unit on line 6+50E at station 2+50N.”



Deposit Types

Deposits near the property mainly occur within a belt of relatively higher grade metamorphic rocks between the Marshal Creek and Yalakom faults (Fig. 3b). The area surrounding the property hosts both metallic and non-metallic mineral occurrences. Mineralized veins with gold and copper have been exposed on the Primrose and Shulaps showings, nephrite jade on the 4-ton and blue showings and chromite on the Shulaps Range showings.

The most important deposit type in the Bridge River camp are northwest trending low sulphidation, mesothermal quartz veins, variably mineralized with auriferous pyrite, arsenopyrite, galena, sphalerite, chalcopyrite and free gold.. The largest producing mines in the camp were the Bralorne and Pioneer mines. The Bridge River camp has the largest reported gold production in the Canadian Cordillera with 129.24 tonnes or 4,155,627 ounces of gold recovered from 7.2 million tonnes averaging 17.95 grams gold per tonne. Productive veins were typically 1.3 meters to 2.5 meters in width, with ore shoots locally up to 6.0 meters in width. The best ore shoot in the Pioneer Mine was mined over 800 meters vertically and 400 meters horizontally. These are “true fissure veins”, following regional scale structures and exhibiting good vertical and horizontal continuity. The best ore shoots occur in the northwest trending ribbon veins where there is a flexure in the vein or where the veins are in contact with serpentinite.

However, the more common and widespread gold occurrences within the camp are associated with northerly trending shears, within a variety of volcanic and or sedimentary hosts, and usually in close proximity to dykes, small intrusions, and/or serpentine/listwanite rocks. These northerly trending shears occurring in proximity to listwanite and dykes, are the target "type" for the Silver Stream property.

Mineralization (Kuran 1996)

"Gold mineralization on the property occurs within steeply dipping, east-southeast trending shear zones. These mineralized zones are narrow, broken and oxidized, where exposed in trenches. They consist of oxidized fault material composed of clay and limonite with occasional fragments of quartz and are hosted in intermediate to mafic volcanics and sediments near the contact with serpentinite or listwanite. Feldspar porphyry dykes are often found in the shear zones and are probably associated with the hydrothermal solutions that carried or remobilized the gold mineralization".

This description of mineralization conforms well to the observed anomalous gold zones intersected in DDH SS05-01.

Exploration

Gray Rock Resources Ltd., following up on previous programs completed by Caldera Resources Ltd, 1988 -1991 (Table 1) carried out exploration work on this property in 1995 and 1996 (Figs. 5 & 6).

The 1995 program, under the direction of J. Miller-Tait, consisted of grid establishment, soil sampling, and trenching to test the previously discovered western and southeastern gold in soils anomalies.

Trenching in 1995 on the western anomaly outlined a mineralized shear zone, open ended along strike, ranging from 1 to 4 meters wide, that was reportedly a minimum of 45 meters in length. Chip samples taken from the shear returned the following gold assays: 0.259 oz/t over 2.8 meters, 0.168 oz/t over 1.2 meters, 0.279 oz/t over 1 meter, and grab samples along strike of 0.823 oz/t and 1.390 oz/t. As well, numerous smaller mineralized shears were noted roughly parallel and in the vicinity of the larger shear, but with lesser gold values.

The southeastern anomaly was subjected to additional soil sampling programs by Gray Rock in 1995 and 1996 under the direction of J. Miller-Tait and later in 1996 was followed up with additional soil sampling and trenching under the direction of V. Kuran. Anomalous gold in soil values in the 820 ppb to 2951 ppb range were returned and trenching was carried out close to this high gold anomaly. Trenching uncovered a "new" series of parallel red oxide shears containing gold values of up to 0.119 oz/t over 1.4 meters as well as rediscovering the shear reported in the 1991 program.

David Dunn on behalf of Gray Rock visited the property in 2004 and collected 7 samples to confirm historic trench assays. He concluded that the results obtained from these samples generally confirmed the historic work and support the recommendations for a 1250 meter diamond drill program made in 1996 (Kuran, 1996).

Gray Rock Resources Ltd., under the direction of this author, commenced with a surface diamond drill program in July 2005.

Drilling

Three NQ sized diamond drill holes, totaling 398.06 meters, on 3 separate set ups constituted the 2005 program.

ABC Drilling Services undertook the contract utilizing a diesel/hydraulic model EF-50 drill unit. A D6 Cat was used for preparing set ups and moving the drill and accessory equipment.

The drill was run on a single shift with the day's core being loaded in a pick-up and delivered to the Bralorne Gold Mines compound in Bralorne on a daily basis.

The drill crew was accommodated at the Bralorne Gold Mines camp.

The core was drilled with 10-foot rods and the marker blocks recorded in feet on one side and converted to meters on the other. Core recovery and RQD was recorded as the core was being logged.

Following sampling the core boxes were stacked on pallets and are stored at the Bralorne Gold Mines compound in Bralorne.

Core recovery was generally "poor", ranging from 51% in hole SS 05-01 to 85% in SS 05-03 with some 10 foot sections being less than 5%. For the anomalous section of SS 05-01 (69.19m - 78.33m) only 28% of the section was recovered.

An attempt was made to collect sludge samples from holes 2 and 3 but this met with limited success due to losing the return water. One anomalous assay was obtained in hole 3, however on re-examination of the core, no explanation was apparent.

Partially due to "poor" recovery as well as the differences between the lithology in holes 1 and 2, the orientation and true thickness of the mineralization is at this stage unknown.

Sampling Method and Approach

Sections of the core, selected by the geologist logging the core, to be sent for analysis, were split, with half going to a labeled plastic sample bag along with a tag, and the other half returned to the box and the sample interval identified by the second part of a 3-part tag system.

Sample intervals were determined by the geologist and based on a number of criteria such as: alteration intensity, veining, stringer density, sulfide content and anything that "looked different".

As DDH SS 05-01 was the only hole of the three completed during the program that returned anomalous gold values, these results will be discussed. For the anomalous section of SS 05-01 (69.19m- 78.33m) only 28% of the section was recovered. The rock unit containing the zone is a fairly distinctive "chert breccia" within a siliceous argillite/chert lithology. Whether the unit is a "healed" tectonic breccia or a separate unit will require further investigation.

As to reliability of results, at this stage, it can only be stated that the zone contains anomalous gold values.

Table 2: SS-05-01 Assay

DDH	From	To	Bralorne Au (gm/mt)	Acme Au (gm/mt)	Sample ID#	Acme Pulps Au (g/t)
SS-05-01	56.2	57	0.47	0.35	251793	0.15
SS-05-01	57	58	12.07	10.81	251794	12.48
SS-05-01	58	59	2.20	3.13	251795	2.42
SS-05-01	59	59.8	0.37	0.48	251796	0.32
SS-05-01	59.8	60.4	1.00	0.92	251797	1.29
SS-05-01	65.5	67.3	0.07	0.04	251798	0.08
SS-05-01	67.3	68.1	1.10	0.85	251799	1.11
SS-05-01	68.1	69.19	1.13	0.72	251800	1.87
SS-05-01	69.19	70	3.87	2.25	251801	4.58
SS-05-01	70	71	15.90	19.48	251802	15.69
SS-05-01	71	72.4	6.03	5.66	251803	6.23
SS-05-01	72.4	75.29	0.63	0.45	251804	0.53
SS-05-01	75.29	78.33	5.60	4.91	251805	5.26

Sample Preparation, Analyses and Security

Samples were initially prepared and assayed for gold, by standard fire assay - gravimetric finish, at the Bralorne Gold Mines assay lab. This results in rapid turn around and having results in hand while the drilling is still ongoing.

Both the reject and pulp portions were then sent to Acme Analytical Labs Ltd., a certified lab located in Vancouver B.C.

The quality control check procedure at Bralorne is to run a duplicate of one sample in each run. Acme checks against standards run with the subject samples.

A direct employee, officer, director or associate of the issuer carried out no aspect of the sample preparation. Sampling, sample preparation, security and analytical procedures were adequate at this stage of the project, in the opinion of the author.

Data Verification

The Bralorne Gold Mines assay lab is not a certified lab hence all the samples (both reject and pulp portions) were forwarded to Acme Analytical Labs in Vancouver, a certified lab, for confirmation of results. The results (Table 2) conform within the range generally associated with "nugget effect" gold assaying (25%).

Adjacent Properties

The most important adjacent properties are the mines of the Bridge River camp, located 15 to 20 kilometers west to southwest of the property as previously described in “History” and “Deposit Types”.

The Shulaps showing is located approximately two kilometers east of the property and is held by other parties. The showing is similar to the showings on the property, in that it is a pyritiferous shear zone with quartz hosted by Bridge River argillites and phyllites and is associated with Tertiary feldspar porphyry dykes. A sample assaying 44.57 g/t gold was taken from this property in 1925 (MoM AR 1925, page 174).

Mineral Resource and Mineral Reserve Estimates

No mineral resources or mineral reserves are presently quantifiable on the property.

Interpretation and Conclusions

This property is at an early stage of development, but the nature of the mineralization seen in the known showings in the context of the Bridge River camp show the property has good potential to develop economic gold mineralization.

V Kuran, in her 1996 report states “Gold mineralization on the Silver Stream property occurs within steep dipping, east-southeast trending shears and to a lesser extent within northerly trending shears. These mineralized zones are narrow, highly weathered, rubbly in nature and consist of oxidized fault material with limonite and clay and occasional fragments of quartz vein material. Mineralized shears are confined within intermediate volcanics and sediments marginal to outcrops of listwanite or serpentinite”.

The intercept in SS 05-01 supports Kuran's observations and is in an area some distance from the previous workings.

This writer concludes that due to the gold content and broad area over which these "shears" have been encountered further exploration is warranted to determine "shear" density and orientation.

The 2 broad geochemical anomalies (western and southeastern zones) have already been labeled as primary targets, and in addition, it is the view of this writer, that the listwanite contacts on the ridge north of the current showings warrants exploration (Fig.7).

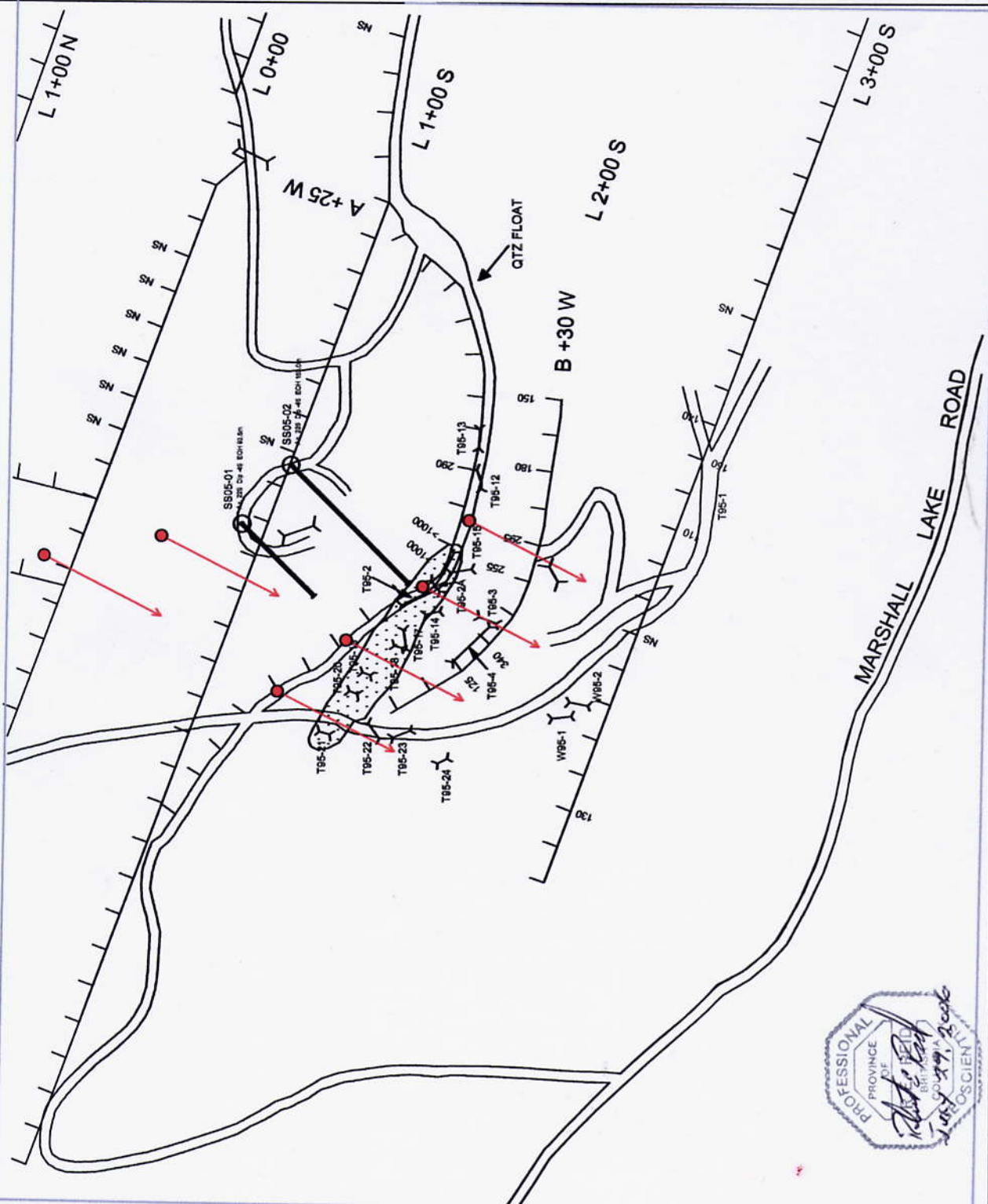


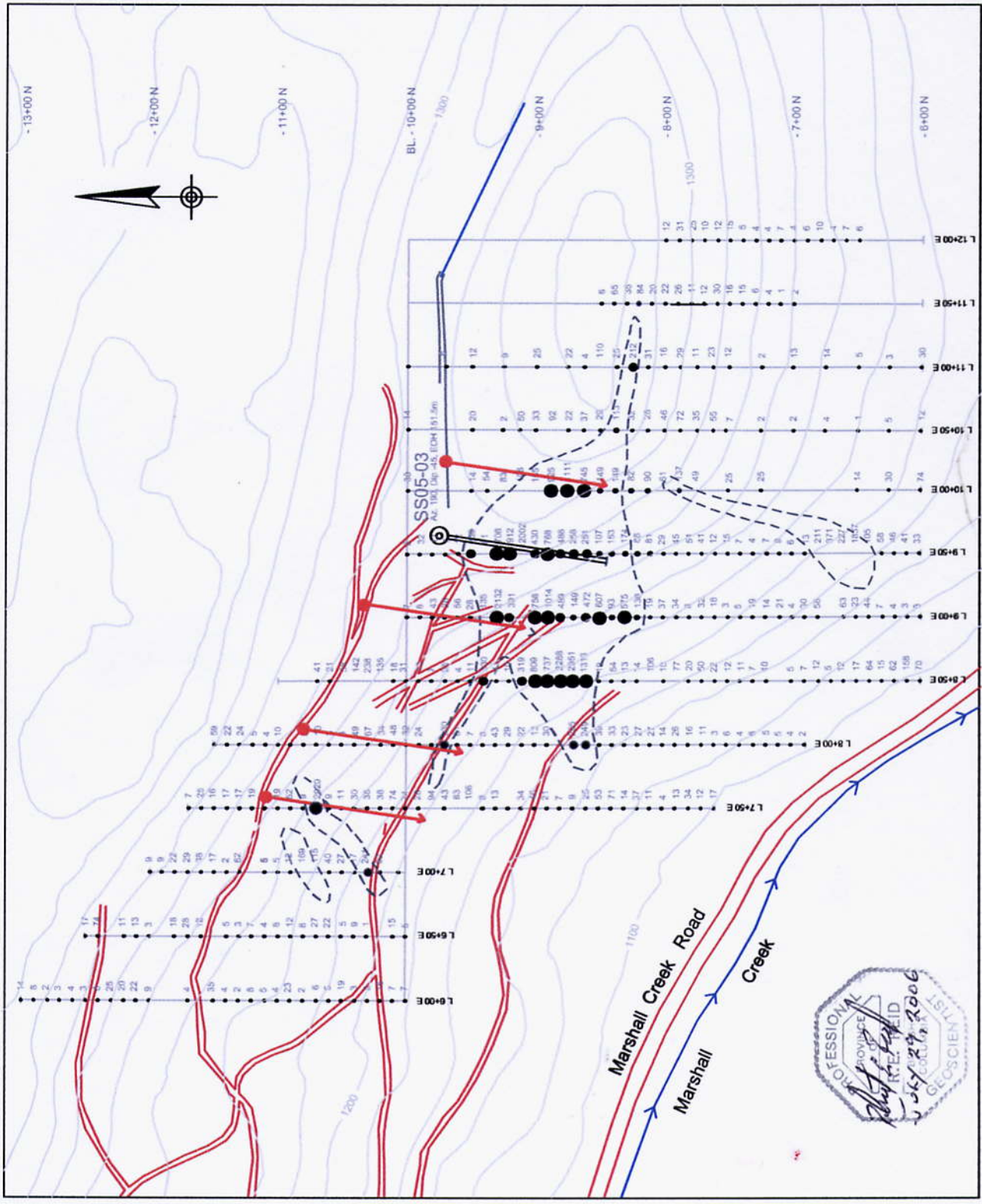
LEGEND

- Gold in Soils > 100 ppb
- TRENCH
- ROCK SAMPLES
- DRILL HOLE 2005
- PROPOSED DRILL HOLE



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SILVER STREAM PROJECT	
L. 1001 M.D. British Columbia	
Western Gold Anomaly	
Scale	AS 1:2000
Date	December 2005
By	MEJ/MC
UTM	MAD 83 Zone 10
TRIM	421,000,000
NTS	92.115, 16
FIG	5





LEGEND

- >500 ppb Au
- >250-500 ppb Au
- 75-250 ppb Au
- <75 ppb Au

Roads
 Trenches
 Creeks

100 ppb gold in Soil
 Drill Hole 2005
 Proposed Drill Hole
 Proposed Drill Hole



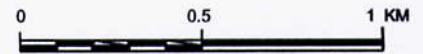
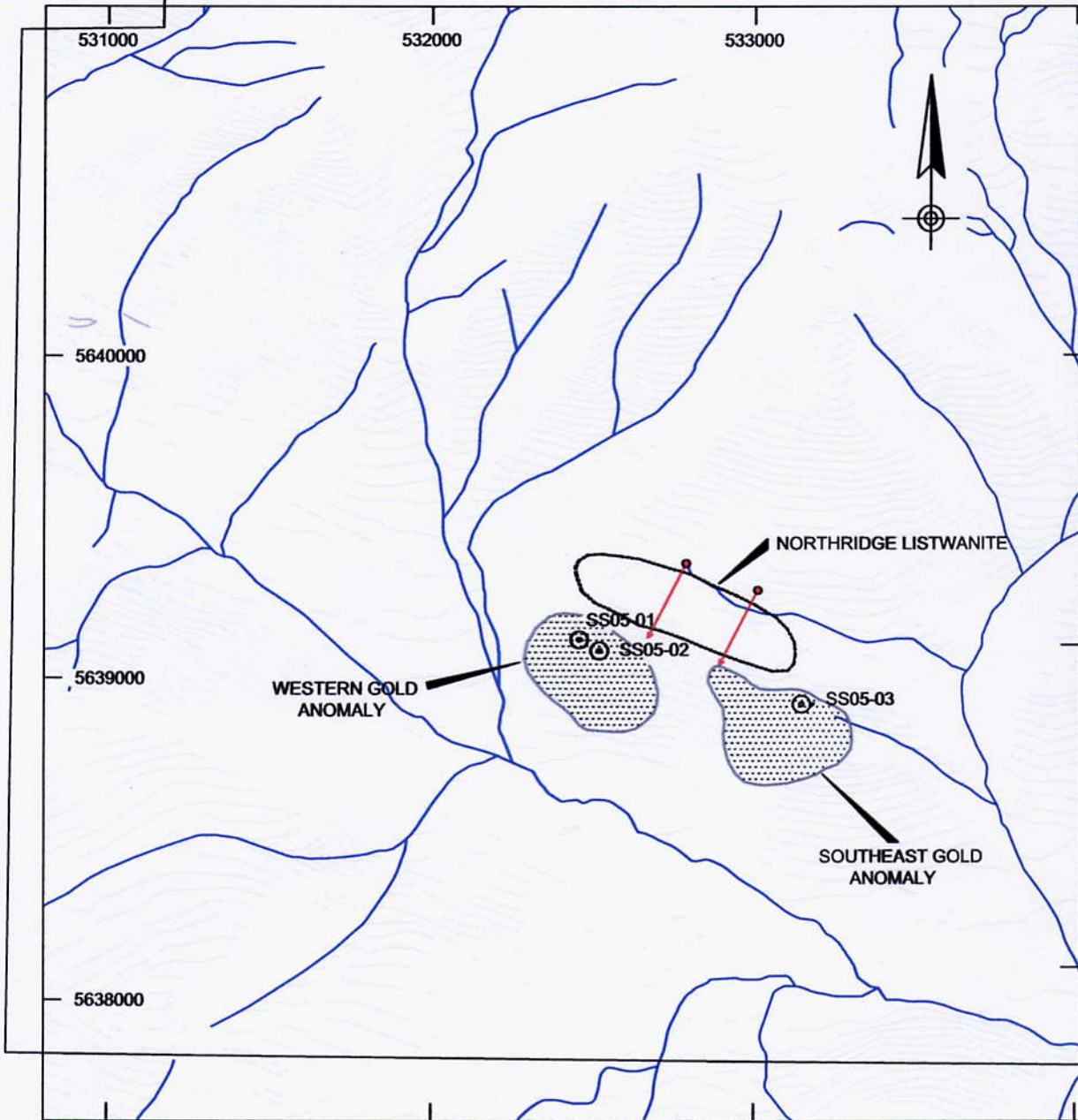
Gray Rock Resources Ltd.
SILVER STREAM PROJECT
 Liberty M.D. British Columbia

Southeastern Gold Anomaly

Scale	88 Meters	UTM	NAD 83 Zone 10
Date	December 2005	TRIM	821108L088
By	me/MC	HTB	821115L18

6





SS05-02
 Drill Hole

 Proposed Drill Holes



Gray Rock Resources Ltd.

SILVER STREAM PROJECT

Lilloet M.D. British Columbia

Exploration Target Areas


Scale	as shown	UTM	NAD 83 Zone 10	Fig. 7
Date	December 2005	TRIM	92J 088,098	
By	ned/MC	NTS	92J15,16	

Recommendations

An initial program consisting of a minimum of 2,100 meters of NQ diamond drilling in 12 holes is recommended in order to evaluate the targets on the west and south-eastern zones outlined by Kuran, 1996; the SS 05-01 intercept, and to explore the north ridge listwanite area. The proposed hole locations are shown on figures 5, 6, And 7. The exact locations of diamond drill hole collars and orientations may change somewhat due to establishment of drill set ups on a steep terrain and due to local variations in the stratigraphy.

Diamond drilling: 2,100 meters @ \$100/meter	\$210,000
Geological support:	
Geologist: 60 days @ \$500/day	\$ 30,000
Technician: 30 days @ \$250/day	\$ 7,500
Room and Board: 90 days @ \$150/day	\$ 13,500
Transportation: 60 days @ \$100/day	\$ 6,000
Assaying: 350 samples @ \$ 30/sample	\$ 10,500
Expendables:	\$ 1,000
Report drafting and printing	\$ 2,500
Contingency	<u>\$ 15,000</u>
Cost Estimate of Recommended Program	\$296,000

Respectfully submitted,


Robert E. "Ned" Reid P. Geo.
July 29, 2006.

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Robert E. "Ned" Reid P.Ge.

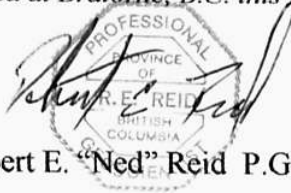
**#16 - 231 Hartley Street
Quesnel, BC V2J 1V8
Ph/Fax 250 992 3782**

Certificate

I, Robert E. "Ned" Reid currently residing at apt #16 – 231 Hartley Street, Quesnel, British Columbia, do hereby certify that:

1. I am a graduate of the University of British Columbia, B.Sc. 1971, geology major.
2. I have been practicing my profession as an exploration and mine geologist / mine supervisor continuously since 1971.
3. I am a Professional Geoscientist registered with the Association of Professional Engineers and Geoscientists of British Columbia.(License # 20910) with sufficient relevant experience to be a "Qualified Person" as per National Instrument 43-101.
4. I supervised and/or personally conducted the exploration program described in this report. I was on the property numerous times during July and August 2005. I have several years of experience working with gold deposits
5. I am solely responsible for the preparation of this report titled "2005 Diamond Drilling Program on the Silver Stream Property" for Gray Rock Resources Ltd. and believe that this report accurately depicts the information obtained to date and I am unaware of any material changes.
6. I have read National Instrument 43-101 and have had this report prepared as per Form 43-101F1
7. I hold no interest, directly or indirectly in the Silver Stream property or any surrounding properties. I hold no securities in Gray Rock Resources Ltd. and have no agreements, arrangements or understandings with the issuer.
8. Permission is hereby granted to Gray Rock Resources Ltd. to use the foregoing report in support of any necessary filings with the British Columbia Securities Commission, Toronto Stock Exchange, or any other regulatory authorities, and/or for the purpose of private or public financing.

Dated at Bralorne, B.C. this 29th day of July, 2006



Robert E. "Ned" Reid P.Ge.