

**TECHNICAL REPORT
ON THE SHINING TREE PROJECT,
TYRRELL AND KNIGHT TOWNSHIPS
LARDER LAKE MINING DIVISION
ONTARIO
FOR
CRESO EXPLORATION INC.**

By: G.A. Harron, P.Eng.
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TABLE OF CONTENTS

	page
1.0 Summary	1
2.0 Introduction and Terms of Reference	6
3.0 Reliance on Other Experts	10
4.0 Project Description and Location.....	11
5.0 Accessibility, Climate, Local Resources, Infrastructure & Physiography	18
6.0 History	19
6.1 Tyranite / Duggan Zone.....	19
6.2 Minto Property	23
7.0 Geological Setting and Mineralization	25
7.1 Regional Geology.....	25
7.2 Geology and Mineralization of the Tyranite & Duggan Gold Zones.....	28
7.3 Geology and Mineralization of the Minto Gold Deposit	30
8.0 Deposit Models.....	35
9.0 Exploration	36
10.0 Drilling	38
11.0 Sampling Preparation, Analysis and Security.....	56
12.0 Data Verification	60
13.0 Mineral Processing and Metallurgical Testing	62
14.0 Mineral Resource Estimates.....	62
<i>NOTE; Items 15.0 through 22.0 are not applicable to this project.</i>	62
23.0 Adjacent Properties	62
24.0 Other Relevant Data and Information.....	62
25.0 Interpretation and Conclusions.....	63
26.0 Recommendations	66
27.0 References.....	69
28.0 Date and Signature Page	73
29.0 Certification	74

LIST OF FIGURES

	page
Figure 2-1 General Location Map.....	8
Figure 4-1 Access Map	12
Figure 4.2 Property Map.....	13
Figure 6-1 Plan of Drill Holes Duggan Zone.....	22
Figure 7-1 Southern Abitibi Greenstone Belt Assemblages	26
Figure 7-2 Geology of the Tyranite, Duggan and Minto Gold Deposits	29
Figure 7-3 First Derivative Magnetic Map.....	31
Figure 10-1 Location of DDH TYR09-01 Tyranite Gold Zone.....	40
Figure 10-2 Plan Map of Tyranite Zone.....	41

Figure 10-3 Inclined Long Section of the Tyranite Zone.....	42
Figure 10-4 Cross Section 79175N, Tyranite Zone.....	43
Figure 10-5 DDH # D09-07 Cross Section (New Zone).....	46
Figure 10-6 Plan Map of Duggan Zone	48
Figure 10-7 Surface Plan of DDHs, Minto Gold Deposit.....	49
Figure 10-8 Inclined Section, Upper and Lower Zones Minto Gold Deposit.....	50
Figure 10-9 Cross Section, Upper and Lower Zones Minto Gold Deposit.....	51
Figure 11-2 Precision of Gold Standards Analyses.....	58

LIST OF TABLES

	page
Table 4-1 Tyranite & Minto Properties, Leasehold Patented Claims	11
Table 4-2 Shining Tree Project, Duggan Property Claims.....	14
Table 7-1 Assemblages of the Southern Abitibi / Shining Tree Greenstone Belt	25
Table 10-1 Summary of Drill Statistics	37
Table 10-2 Drill Hole Intercepts, Tyranite Zone.....	39
Table 10-3 Diamond Drill Hole Intercepts Duggan Zone.....	44
Table 10-4 Creso 2009-2010 Diamond Drill Results, Minto Zone	52
Table 11-1 Quantity of QA/QC Blanks and Standards, Minto Deposit.....	57
Table 12-1 Results of Due Diligence Sampling.....	59
Table 20-1 Proposed Phase 1 Budget	66
Table 20-2 Proposed Phase 2 Budget	67

1.0 Summary

The Shining Tree Project of Creso Exploration Inc. (“Creso” or the “Corporation”) is located approximately 520 km north of Toronto, Ontario, Canada and approximately 120 km north of Sudbury Ontario, in the townships of Knight and Tyrrell, in the Larder Lake Mining Division, Ontario, (NTS:41P11).

The Shining Tree Project properties can be reached by traveling west along Hwy 560 for approximately 105 km from Timiskaming Shores (Hwy 11). The highway traverses the Minto property approximately 18 km west of Gowganda. The Tyrinite Mine Road departs to the north near this location. The Duggan zone is located approximately 1 km west-northwest of the main Tyrinite shaft on the NE shore of McIntyre Lake. The western part of the Duggan zone can be accessed by driving an additional 4 km to the west on Highway 560, then departing north along a network of gravel roads.

The Tyrinite Mine property consists of 9 surveyed contiguous leasehold patented claims containing 9 claim units and covering 144.898 hectares. Both surface and mining rights are included in the title. The Duggan Zone, located adjacent to the Tyrinite Mine, includes both west and north blocks consists of 8 un-surveyed claims containing 14 contiguous claim units, covering an area of approximately 224 hectares. Claims comprising the North Zone are: 4215039, 4225011 and 4245744 and are all located in Knight Township. The other 5 claims located in Knight and Tyrrell townships comprise the west zone. Both surface and mining rights are attached to the 5 claims. Details of option agreements concerning individual claims are summarized in section 4 of this report.

The Minto property consists of a contiguous block of 4 surveyed leasehold claims covering an area of 56.33 hectares, and includes both surface and mining rights.

The project is considered to be at an “advanced” stage of exploration, as diamond drilling and detailed geophysical surveys are the primary exploration tools. The Shining Tree Project is material to the Corporation as it represents the most significant asset.

This technical report is to conform to National Instrument 43-101 standards. Terms of engagement are in a letter from GAHA to Creso dated September 30, 2011, indicating that GAHA is providing a service for a fee.

Prior to this assignment GAHA has co-authored a technical report for the Corporation on the Shining Tree Project, dated March 23, 2010 and filed on www.Sedar.com. (Harron & White, 2010).

It is understood that this report will be used to provide current disclosure of the Shining Tree Project to the Creso Board of Directors and as a support document for future financing and listing activities of the Corporation.

The 13 patented claims comprising the Minto and Tyranite properties require the payment of annual rent of approximately \$ 604 payable to the Ministry of Northern Development Mines and Forestry.

Tenure of staked claims is maintained by annual filings of \$400 per claim unit commencing in the second year of ownership. Excess annual expenditures can be banked for future use, which currently are sufficient to extend tenure for at least 15 years. However unpatented claims have a maximum 10 year life after which the lands can be leased.

Creso management warrants that the Corporation has not received from any government authority any notice of, or communication relating to, any actual or alleged breach of any environmental laws, regulations, policies or permits regarding exploration activities on the properties. No permits issued by municipal, provincial or federal governments are required to undertake low impact exploration activities on the subject properties. A tailings disposal area present on the Tyranite property is not a liability as long as Creso does not disturb the waste material.

Creso management further warrants that there are no current or pending challenges to ownership of the staked, leased and/or patented claims comprising the Shining Tree Project.

Approximately 50 holes were drilled on the Duggan / Tyranite property between 1937 and 1997. Between 1939 and 1942 the Tyranite Mine recorded total production of 975 kg (31,352 oz) gold and 151.2 kg (4,860 oz) silver extracted from 210,290 tonnes (231,810 tons) of ore grading 5.04 g/t (0.147 oz/ton) gold (Carter, 1977).

In 1984 Mr. H.A. Pearson of Duncan Gold Resources, reported a “resource” of 204,000 tonne (225,000 tons) at 6.9 g/t (0.2 oz/t) Au to a depth of 229 m (750 ft) at the Minto deposit. The resource category used to describe the Minto deposit included both inferred and indicated resources added together. Additional drilling and deposit modeling will be required in order to correctly classify the mineralization into categories compliant with CIM Definition Standards on Mineral Resources and mineral reserves.

A qualified person has not done sufficient work to classify the historical estimate as current mineral resources or mineral reserves and the issuer is not treating the historical estimate as current mineral resources or mineral reserves. This historical estimate should not be relied upon.

The gold mineralization was found to be related to a more or less circular breccia pipe and associated with auriferous quartz-carbonate veining containing disseminated pyrite. Gold mineralization appears to be related to pyrite and quartz vein structures trending along north-south and northeast-southwest foliation planes.