

BRILLIANT SANDS INCORPORATED

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Management's Discussion and Analysis
For the year ending December 31, 2014

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Introduction

The following management's discussion and analysis ("MD&A") of the financial condition and results of the operations of Brilliant Sands Incorporated (the "Company" or "BSI") constitutes management's review of the factors that affected the Company's financial and operating performance for the year ended December 31, 2014 and should be read in conjunction with the audited financial statements of the Company which have been prepared in accordance with generally accepted accounting principles in the United States of America (U.S. GAAP). References to "BSI" in the MD&A refer to the Company and its subsidiaries taken as a whole. Results are reported in US dollars, unless otherwise noted.

Further information about the Company and its operations is available on BSI's website at www.brilliantsands.com.

The Company's outstanding common shares (the "Common Shares") are currently listed on the OTCPinksheets Markets trading under the symbol "BRSD".

Forward-Looking Information

In addition to historical and pro-forma information, this discussion contains forward-looking statements which involve a number of risks and uncertainties that could cause our actual results to differ materially from those reflected in the forward-looking statements. Forward-looking statements can be identified by use of the words "expect," "project," "may," "might," "potential," and similar terms. We caution readers that any forward-looking information is not a guarantee of future performance and that actual results could differ materially from those contained in the forward-looking information. Forward-looking statements involve a number of risks, uncertainties or other factors beyond our control. These factors include, but are not limited to, our ability to implement our strategic initiatives, economic, political and market conditions and price fluctuations, government and industry regulation, U.S. and global competition, and other factors. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated, or intended. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. We undertake no obligation to revise or publicly release the results of any revision to these forward-looking statements.

Description of Business

The Company was incorporated under the laws of the Territory of Montana in May 1888. The Company was known as Helena Silver Mines, Inc. On July 14, 2006, Dome Copper, Inc., a Nevada Corporation, completed a share acquisition agreement with Helena Silver Mines, Inc.

The merger was accounted for as a reverse acquisition in which Dome Copper, Inc. was identified as the acquiring entity and Helena Silver Mines, Inc. was identified as the acquired entity. Any remaining identifiable assets and liabilities of Helena Silver Mines, Inc. were assigned fair values at the acquisition

date. No goodwill was recognized. The assets of Dome Copper, Inc. were incorporated into the financial statements at their pre-merger carrying values at the date of acquisition.

At the effective time of the merger, the name of the Company was changed to Consolidated Goldfields Corporation, with Dome Copper, Inc., a Nevada corporation, surviving as a wholly-owned subsidiary. On January 12, 2015 the Company held a Special Meeting of Stockholders to change the Company's name to Brilliant Sands Incorporated which became effective on March 16, 2015. The Company's other wholly-owned subsidiary is Consolidated Cahuilla, LLC, a Nevada limited liability company, changed its name to Consolidated Goldfields, LLC.

The Company's corporate strategy is to build shareholder value through the acquisition, exploration and development of frac sand and mineral resource properties.

Qualified Person

Lane Griffin, Professional Geologist, is the company's nominated qualified person responsible for monitoring the supervision and quality control of the programs completed on the Company's properties. Mr. Griffin has reviewed and verified the technical information contained in this MD&A.

Overall Performance

The Company currently has three properties located in Canada which have the potential of yielding a large resource of sand with decades of mine life. Exploration of the three properties is set to began in April 2015.

The Company currently has six exploration stage projects, primarily gold and silver, of which two are under exploration—the King Solomon and Klondike Pass properties. There are no assurances that the activities on the King Solomon or Klondike Pass projects will result in the successful production of gold or the development of a gold processing facility. A number of factors, upon which success is dependent, are beyond the Company's control.

The Company currently owns 100% of the Muskox Intrusion Data Inventory. The Muskox Intrusion is located in Nunavut, Canada.

During the year ending December 31, 2014, the Company spent $154,450 on exploration activities. The following table sets forth a breakdown of material components of the Company's exploration expenditures.

	Year ended December 31, 2014
King Solomon	
Consulting	--
Field Supplies	164
Travel & Accommodation	--
Annual Claim Fees	10,931
Total Klondike Pass	11,095
Klondike Pass	
Consulting	11,575
Field Supplies	755
Travel & Accommodation	1,200
Total Klondike Pass	13,530
Fisher Canyon	
Consulting	--
Field Supplies	6,000
Travel & Accommodation	411
Annual Claim Fees	14,405
Total Fisher Canyon Expenditures	20,816
Rose Gulch	
Consulting	1,613
Field Supplies	--
Travel & Accommodation	492
Total Rose Gulch	2,105
Gold Star	
Consulting	14,800
Field Supplies	987
Travel & Accommodation	2,648
Annual Claim Fees	2,154
Total Gold Star	20,589
Kibby Flat	
Consulting	12,700
Field Supplies	933
Travel & Accommodation	1,265
Annual Claim Fees	1,990
Total Kibby Flat	16,888

Remaining Projects	
Consulting	--
Field Supplies	6,667
Travel & Accommodation	--
Annual Claim Fees	12,584
Total Remaining Projects	19,251
General Exploration	
Consulting	38,413
Field Supplies	2,836
Travel & Accommodation	8,927
Total General Exploration	50,176

A summary of the activities on the major projects follows.

Projects

McClelland Property

The McClelland has a large land position, 66,000 acres (26,624 hectares) that will yield a large resource with decades of mine life. The property is 100% owned by the Company and is located 60km north of Fort McMurray. Sampling of the sand at McClelland has come back with similar results to that of Athabasca minerals which is situated along our fence line to the west. The property is strategically located near all of the Albert Basins, giving the company a large competitive advantage to the US producers and suppliers that are 2,200+km away. McClelland will enable the Company to produce and sell sand to the Canadian O & G companies, from Canadian dollars, to Canadian dollars.

Alberta Property

The Alberta property has a large land position, 87,000 acres (35,000 hectares) which will yield a large resource with decades of mine life. The property is 100% owned by the Company and is strategically located in the heard of three Alberta Basins. The competitive advantage of being in the heart of three basins and trucking distance to the well-head will enable the company to see its sand FOB from the mine site, reducing costs by up to 60%. Just-in-time delivery, no rail, and no weather or congestion delays will result in the Company being able to sell the sand at a premium and have an enormous competitive advantage as a result to its competitors.

Washow Property

The Washow property consists of 1,000 acres (422 hectares). The property is 100% owned by the Company and is located in Manitoba, north of Winnipeg. The property is less than 100km from rail and lies in an area known for the only "Northern White" sand in Canada. Northern White sand is Tier 1 sand that Wisconsin (largest frac sand supplier in the world) is famous for, and is perceived to be the best sand in the world. The Washow property will enable the Company to offer its clients "Northern White" sand at a reduced cost as it is located ½ the distance to the Alberta Basins that the US suppliers in Wisconsin.

King Solomon

The King Solomon project, located in Nye County Nevada, consists of a two adjoining claim blocks for a total of 66 unpatented mining claims. One claim block with a total of 38 unpatented claims are owned by a former officer and director of the company and one claim block with a total of 28 unpatented claims are owned by a private individual. The project is a sediment "Carlin-type" gold system and analogous to the newly discovered Long Canyon, Cortez Hill, and Gold Rush deposits and the nearby Northumberland deposit where both Tertiary welded rhyolitic tuffs and Paleozoic carbonate rocks host significant gold mineralization. The volcanic and sediment-hosted project area is located in a known mining district east of Tonopah, Nevada. Portions of the mineralized zone are within the Toiyabe National Forest and there are some archeological cultural features within the primary target area.

In the mid 1980's a resource was calculated within a portion of a 3-mile long mineralized zone consisting of 2,286,636 tons with a grade of 0.028 opt Au for a historic resource of 64,026 ounces.

The primary targets of this property are located within the 3-miles long mineralized zone. In the southwest portion of the zone, where the majority of the drilling has occurred, over one-half of all of the previous drill holes were terminated in >0.01 opt gold mineralization hosted in the lower Paleozoic carbonates. The most recent drilling of three RC holes in 1996 expanded the gold-bearing jasperoidal mineralization from 245 feet to +600 feet and the mineralization is open-ended at depth . This drilling never drilled out of the jasperoidal silicification, nor delineated its lateral or vertical extent. The attraction of this property is that the recent, deeper drilling confirmed previous drill hole gold intercepts from the surface to 245 feet, and resulted in the discovery of a lower significant Au-Ag-As-Sb-Ba-Hg-Tl mineralized zone beginning at 460 feet and increasing in strength with depth. Past RC drilling was terminated at depth due to dense jasperoidal silicification. This deeper portion of the system should be core drilled to determine vertical extent of the extensive mineralization.

A secondary target should involve testing the remaining 1000 foot-wide by 3-mile long northeast-southwest trending corridor of mineralization. Regional and prospect-scale data compilation has revealed up to 0.27opt gold mineralization hosted in similar jasperoid bodies one-mile to the north of the primary target. Also, contouring of gold grade-thickness indicates mineralization is also open-ended to the southwest. A limited drill hole program could identify a world-class ore deposit similar to the 4-5 million-ounce resource that to occurs at Northumberland and other similar Carlin type deposits.

Four exploration companies have drilled a total of 43 RC drill holes, mainly in a 2000 foot portion of the 3-mile long mineralized zone. The majority of the drill holes were drilled between 200 and 500 feet deep, and only a few shallow (100 – 300 feet) drill holes were drilled 1-mile to the north of the main prospect area where rock chip samples from two jasperoid outcrops assayed 0.25 and 0.27opt gold.

Below are a few of the more significant drill hole gold intercepts:

DH #24	0'-295'	(295')	@0.031 opt
DH #1	0'-265'	(265')	@0.026 opt
(includes)	0'-60'	(60')	@0.042 opt
DH #2	400'-440'	(40')	@0.019 opt
DH #3	0'-220'	(220')	@0.018 opt

(includes)	100'-130'	(30')	@0.055 opt
	460'-600'	(140')	@0.016 opt
DH #5	115'-250'	(135')	@0.037 opt
DH #7	130'-210'	(80')	@0.018 opt
DH #12	50'-160'	(110')	@0.016 opt
DH #13	145'-275'	(130')	@0.027 opt
(includes)	360'-500'	(140')	@0.016 opt
DH #26	100'-255'	(155')	@0.020 opt
(includes)	310'-370'	(60')	@0.028 opt

Total exploration expenses for the King Solomon project for the year ending December 31, 2014 were $11,095.

Klondike Pass

The Klondike Pass project consists of 160 acres of private land in the Willow Creek Mining District situated in the northeast portion of Pershing County, Nevada. The Company entered into an Exploration and Option to Purchase Agreement on September 19, 2013 with a private individual.

Located 20 miles south of Winnemucca, Nevada, the Willow Creek District is responsible for the production of more than 5,000 ounces of placer gold in addition to substantial amounts of lode gold production from very high grade veins. Select veins from this mining district reportedly contained up to 1 ounce per pound of gold (approximately 167 ounces per ton) within 1 inch stringer veins hosted in phyllitic slate intruded by diabasic dikes.

The Klondike Pass project is characterized by high grade gold quartz/calcite veins hosted in Triassic phyllite. Associated carbonate rocks have been strongly silicified into jasperoids which represent a much larger alteration overprint that has been recognized throughout the property. This acquisition of private land in a prolific gold mining region should provide Consolidated the opportunity for near term placer production in addition to longer-term lode potential from high grade veins and/or larger disseminated gold deposits presuming exploration efforts are successful.

A geologic mapping and geochemical sampling program began immediately at Klondike Pass in conjunction with a detailed evaluation of the old mine workings. This investigation will provide valuable information as to the nature of the gold occurrences and will be applied to the surrounding rocks as a guide for our future drilling and placer evaluation programs.

During November 2013 the sampling and mapping program conducted at the Klondike Pass project has been concluded with positive results which focused on the exploration of old mine workings and dumps. Outcropping rocks were mapped and sampled, and alluvium near the prospects within the mine dumps was evaluated to determine any enrichment in precious metals. Select soil samples on the main mine dump were sent to the Inspectorate America Lab in Reno, Nevada and indicated anomalous gold values as illustrated in the table below:

Sample No.	Description	Assay - ppm gold
#97408	alluvium/soil, west end, lower dump	0.449
#97410	representative alluvium/soil from lower dump	0.893
#97412	alluvium/soil, east end, lower dump	2.754

Based on these results, a thorough examination of the alluvium in and around the prospects, outcrops and dumps was conducted. Over the course of the program, many specimens of coarse visible gold were identified and recovered. The gold is of a crystalline nature and occurs as leaves, wires and aggregates within calcite veins, quartz fragments and along fractures planes in phyllite. The gold appears to be associated with old mine dumps and prospects that extend along a 500 foot exposure of Triassic phyllite. These encouraging results will be used to further explore the surrounding rocks for the source, extent and genesis of the precious metals.

Gold mineralization similar to Klondike Pass occurs at the Wadley Mine approximately one mile to the northwest. According to a Southern Pacific Company report from 1959, the ore at this mine occurs as narrow but very high grade gold-quartz veins. The veins strike northerly in Triassic slate and phyllitic slate and are the source for the placer gold in the prolific Willow Creek district. One of the veins reportedly contained gold values of one ounce of gold per pound (about 160 ounces/ton) in one quarter to one inch wide veins.

Geological mapping and sampling will continue in the spring of 2014 with the objective of further delineating favorable host rocks and defining targets for future exploration drill programs. The potential high grade source or concentration of gold may be associated with a peripheral blanket of lower grade mineralization that appears to be characterized by jasperoid outcrops in the surrounding carbonate rocks. These jasperiod units represent targets for future exploration programs which have the potential of becoming much larger, disseminated precious metal deposits.

Total exploration expenses for the Klondike Pass project for the years ended December 31, 2014 were $13,530.

Fisher Canyon

The Fisher Canyon project, located in Pershing County, Nevada, consists of 87 unpatented mining claims and is owned by a former officer and director of the Company and a current director and former officer of the Company, who each hold a 50% interest in the property. The Company previously held 123 unpatented mining claims and after further review the Company has decided to drop the additional 36 claims which were staked in February 2012. Fisher Canyon is situated approximately 25 miles east of Lovelock, Nevada, four miles east of the Relief Canyon gold mine and six miles southeast of the Coeur Rochester silver/gold mine. To date, the Rochester and surrounding mining districts have produced nearly five million ounces of gold and more that 130 million ounces of silver. The Fisher Canyon project is situated on the southeastern end of the Humboldt Range and is characterized by limestone and dolomite that contain lenses of altered volcaniclastic sediments and flows. The volcanic rocks are observed to form giant lenses within the carbonate section, with dimensions of several miles along strike and up to about 600 feet thick. The volcanic lenses commonly exhibit intense hydrothermal

alteration and represent the focus of past exploration activities. The stratigraphy within the Fisher Canyon area has also been significantly disrupted by various episodes of intense structural deformation.

Total exploration expenses for the Fisher Canyon project for the year ending December 31, 2014 were $20,816.

On May 1, 2015 the Company has abandoned its interest in the Fisher Canyon property.

Cahuilla

On December 1, 2006, and as amended and restated on August 5, 2010, the Company executed a formal Exploration and Option to Lease Agreement ("the Cahuilla Agreement") for the Cahuilla Gold Project in Imperial County, California, the majority of which is situated on the Torres Martinez Desert Cahuilla Indian Reservation. Under the terms of the Cahuilla Agreement the Company has the exclusive rights to explore, develop and conduct mining operations on more than two square miles situated on Tribal lands. The Company is required to pay escalating lease payments and meet minimum work obligations for a period of five years beginning in 2010. The Cahuilla Agreement is cancelable by the Company at any time by giving 30 days written notice.

On February 10, 2010 Consolidated entered into an Earn-In Agreement with Teras Resources, Inc. ("Teras") whereby Teras could earn 65% undivided interest in the Cahuilla property. Pursuant to the terms of the Earn-in Agreement and subject to certain conditions being met in accordance with the Earn-In Agreement, Teras issued 4,000,000 common shares to Consolidated and deposited $800,000 into an account in 2010 for the exclusive use of exploration, development and maintenance expenditures on the property. In 2011, Teras issued an additional 5,000,000 shares to Consolidated and deposited $1,000,000 for additional expenditures on the property.

As of August 31, 2011, Teras fulfilled its obligations under the Earn-In Agreement to acquire 65% interest in the Cahuilla project. The Company postponed the receipt of the 5,300,000 shares of Teras common stock as required under the agreement to a later date. These shares were received by the Company on May 29, 2014.

On September 29, 2011 Consolidated signed an Exploration and Earn-in Agreement with Teras Resources, Inc. on the Cahuilla Project. The terms of the agreement specify that Teras will have a 24-month option to earn the remaining 35% interest in the Cahuilla gold project and 100% interest in four other high ranking gold projects. During September 2013 Teras Resources, Inc. has fulfilled its obligations to earn the remaining 35% interest in the Cahuilla gold project and has issued the Company the final 10 Million shares of Teras common stock on June 4, 2014.

The six private land mineral leases were assigned to Teras Resources, Inc. in November 2013 and the Exploration and Option to Lease Agreement with the Torres Martinez Desert Cahuilla Indians was assigned to Teras Resources, Inc. in September 2014.

Pyramid

The Pyramid Mine project consists of five unpatented lode claims situated in Churchill County, Nevada which are 100% owned by the Company. The project is located in the Terrill Mountains and Holy Cross Mining District which is situated within the northwest trending, regional Walker Lane, structural zone. In April 2009, the Company entered into an Option-to-Purchase Royalty Agreement with Trend Mining Company giving the Company the option to purchase a 1.5% net smelter return royalty on the unpatented mining claims of the Pyramid Mine. Under the Purchase Agreement the Company issued 33,334 shares of common stock at $0.18 per share. To complete the purchase, the Company agreed to pay an additional $44,000 in cash or common stock by February 16, 2011. On January 28, 2011, the Company completed the final payment of $44,000 by issuance of 54,321 shares of common stock with a fair value of $0.81 per share.

The Terrill Mountains are largely composed of a several thousand foot sequence of Oligocene-Miocene age rhyolitic tuffs that are intruded by porphyritic andesites, dacites and gabbroic-basaltic plugs, dikes and sills and capped by dacitic flows. The ore deposits and workings in the Holy Cross Mining District are polymetallic in nature, primarily hosting silver, gold, lead, zinc and minor copper mineralization. The mineralization appears to occur within three northwest striking en echelon structural zones controlled along a regional N70E structural zone, all within the north bounding Walker Lane fault zone.

The workings are located on the northeast side of the Terrill Mountains and are characterized by the occurrence of numerous shafts, adits and prospect pits. The principle ore-controlling brecciated, sheared zones and structural trends in the area are generally north-south with the majority of the dips to the east, all within the central en echelon structural zone. Alteration in the area is characterized by propylitization with local zones of stronger pyritization, Argillization and bleaching of welded, lithic-rich rhyolite tuffs. Generally the area lacks wide spread silicification and on the surface, local zones of well-developed sheeted, coxcomb-style, quartz stockwork-stringers occur and are associated with sericite and iron and manganese oxides.

Silicification and better developed veining appears to increase at depth, suggesting the Pyramid Mine and Holy Cross Mining District is currently at the top of a mineralized system, possibly a significant porphyry deposit. Massive sulfides exposed in underground workings hosting visible gold, galena and sphalerite mineralization appear to occur as replacement, disseminated deposits and as secondary vein fillings.

In the Gee Shaft working area a structural zone striking N25E, 55SE hosting gold, silver, lead, zinc and copper mineralization appears to occupy a sheeted fracture-fault zone 200 feet wide and several adits have explored and mined portions of the zone to the 200 foot level. Limited underground evaluation reveals the local 200 foot wide structural zone is extremely sheared with numerous anastomosing-sheared mineralized planes, listric in nature and includes flat structures. Best recent underground rock chip sample collected across a 3-inch wide, massive sulfide vein returned 1.5 opt gold, 261 opt silver, 15% zinc, 9.77% lead and .08% copper; 4-foot channel of a vertical zone returned 0.27 opt gold, 132.59 opt silver, 2.13% zinc, 2.8% lead and a 3-foot channel across a flat-lying shear zone that assayed 0.286 opt gold, 42.29 opt silver. Five hundred feet to the west, several adits and prospect workings have explored a 5 to 25 foot wide, N-S structural zone hosting at least two altered dikes, and the structural zone show a minimum of at least 800 foot strike length. Surface assays of selected mineralized rocks

from this structural zone returned up to 0.068 opt gold, 125.6 opt silver, 1.4% lead and 0.1% zinc. Anomalous geochemical signatures associated with Au-Ag-Pb-ZN mineralization includes: Cu, As, Sb, Mn, W + Bi, Mo, Cd, Tl, Fe, Na and V.
Ore Mineralization that has been recognized to date occurs in high-grade pods, shear zones, stockwork-stringers and veins that vary in width from less than one inch to approximately seven feet. Recent mapping and examination of the property has identified that beside high-grade underground deposits, the broad area of disseminated mineralization lends this property to a possible open-pit, bulk mineable operation, as well as a deeper porphyry target. The primary ore minerals include native gold, galena, sphalerite, argentite, pyrite, chalcopyrite and rhodochrosite. During underground exploration programs conducted in 1993 and 1994, high-grade precious and base metal values were detected in underground workings and some of the better assay results are illustrated below:

Sample Description	Gold (opt)	Silver (opt)	% Lead	% Zinc
Level 1, face south drift	0.530	148.45	1.96	6.68
Level 1, north drift	2.860	453.48	n/a	n/a
Level 2, big room vein	1.416	164.11	4.48	4.76
Level 2, rat hole	0.620	231.84	n/a	n/a
Upper vein north	1.786	436.05	9.12	8.72
3' channel across n. vein	0.469	128.62	3.96	4.96

Preliminary geologic evaluation of the project indicates that mineralization is open both on strike and down dip where the main mine workings occur. Additional exploration is planned throughout the entire claim block to identify new drill targets.

The Pyramid Mine is accessible by a haul road that was substantially improved in the mid-1970's upon initiation of recent mining operations. The underground adits and shafts are in good condition, dry and easily accessible; thus testifying to the satisfactory mining conditions. The current infrastructure and recent mining on the property will allow for little improvement to be needed to resume operations.

The Terrill or Holy Cross Mining District was discovered in 1910 and mining has occurred intermittently in the region through the early 1990's. Consolidated's five unpatented claims are situated within the Walker River Indian Reservation, which encompasses this mining district. However, because the claims were legally staked and maintained since 1933, the owners continue to hold valid rights to access, explore and mine this deposit even though it is surrounded by reservation lands.

Gold, silver, lead and zinc were produced from the Pyramid Mine since its discovery, although accurate production records are not available until 1977. From 1977 to 1987, Robert and Davis Gee of the Silver Arrow Mining Company conducted underground mining operations on a small scale within historically worked portions of the project area. High-grade, precious and base metal ore was mined and processed locally to produce concentrates, which were shipped to the Asarco smelter in East Helena, Montana. A total of approximately 17 tons of concentrates were processed at the smelter containing an average grade of 3.302 opt gold, 477.8 opt silver and 17.5% lead. A small tonnage of direct shipping ore mined in 1987 was also sent to Asarco in Montana, which averaged 0.775 opt gold, 182.1 opt silver and 5% lead.

In the early 1990's the project was acquired by Silver State Mining & Exploration, Inc. During July of 1994, the company conducted a limited mineral resource estimate of visible precious and base metal veins that were identified in the existing underground workings. The veins were geochemically sampled and then actually measured by hand to estimate subsurface ore tonnages. The mineral resource estimate indicated a total of approximately 4,000 tons containing an average grade of 0.516 opt gold, 74.99 opt silver, 5.95% lead and 7.08% zinc.

Historically, exploration activities on the property consisted primarily of searching for new veins by tunneling from existing underground workings. Although the majority of the area is altered, a very limited number of drill holes have been completed on the claim block and the majority are clustered in the immediate mine area. Systematic exploration has apparently never been conducted throughout the region to search for additional, more extensive high-grade mineralization.

Total exploration expenses for the Pyramid Mine project for the year ending December 31, 2014 were $882.

Koegel Hills

The Koegel Hills project consists of 71 unpatented claims encompassing 1,420 acres located in Mineral County, Nevada which are 100% owned by the Company. The project is an extensive copper-gold bearing porphyry system manifested by intense surface alteration that extends for more than six square miles.

In the early 1990's Santa Fe Minerals Company ("Santa Fe") staked the area and conducted a limited drilling program, which intersected significantly large zones of strongly anomalous copper and gold. Values greater than 4.0% copper and .030 ounces of gold per ton were reported in five-foot drill samples. Santa Fe released the property when the Company was taken over by Newmont Mining Company.

In the mid-1990's, Kennecott acquired the project and conducted detailed geochemical, geophysical and drill programs. Numerous geochemical and geophysical anomalies were encountered. Drilling on a selected few of these targets intersected strongly anomalous copper-gold mineralization over many hundreds of feet. The best intercept assayed over 200 parts per billion gold and 1,000 parts per million copper over 600 feet with high values approaching those reported by Santa Fe. Many of the existing targets remain untested.

Total exploration expenses for the Koegel Hills project for the year ending December 31, 2014 were $12,463.

Rose Gulch

The Rose Gulch project consists of 460 acres of private land located in Pershing County, Nevada. The Company entered into an Exploration and Mining Lease and Option to Purchase Agreement on August 27, 2012 with a private individual. The project is located four miles southeast of the town of Oreana which is approximately ten miles north of Lovelock, Nevada on Interstate 80.

Exploration expenses for the Rose Gulch project for the year ending December 31, 2014 were $2,104.

As of September 10, 2014, the Company has abandoned its interest in the Rose Gulch property.

Four Mile Basin

The Four Mile Basin property is located in Nye County, Nevada. The Company owns a 100% interest in two unpatented claims that are surrounded by another mining company that controls an extensive land position throughout the district.

The claims encompass a substantial hot springs system that is characterized by prevalent surface sinter and feeder veins composed of quartz replacing calcite. The vein system is manifest as a prominent northwest trending topographic high that can be traced for a strike length of greater than 6,000 feet. Strongly anomalous gold mineralization has been encountered throughout the surface sinter and feeder veins.

On February 26, 2013 the Company entered into an Exploration and Option to Purchase Agreement with Wolfpack Gold (Nevada) Corporation for the two unpatented Four Mile Basin claims. The term of the Four Mile Basin Agreement shall be for a period of twenty (20) years. The Four Mile Basin Agreement may be cancelable at the option of either the Company or the lessor at any time by giving thirty (30) days advanced notice.

Lease payments for the property are outlined below:

- On signing of the agreement $10,000 – (payment received in March 2013)
- On or prior to each anniversary date:
    - 1st: $12,000 – (payment received in March 2014)
    - 2nd: $15,000
    - 3rd: $20,000
    - 4th and thereafter $25,000

The lease also requires minimum work commitments on or prior to each anniversary date as follows:

- 1st: waived
- 2nd: $10,000
- 3rd: $12,000
- 4th and thereafter $15,000

All work expenditures made by Lessee during any Lease Year in excess of the work commitment expenditures required for such Lease Year shall be credited against work commitment requirements for any subsequent Lease Year.

During February 2015, the Company received notice that the lease holders was abandoning the Four Mile Basin project.

Gold Star

The Gold Star property is a high-grade precious and base metal deposit located in Mineral County, Nevada and consists of 13 unpatented lode claims which are 100% owned by the Company.

In the project area, two types of mineralization have been encountered, free gold and copper associated with a skarn and high-grade silver-lead-zinc mineralization hosted in a major east-west trending fault zone. In 2002, the Company collected surface geochemical samples that encountered numerous gold anomalies ranging from 15 to 11,404 parts per billion or 0.333 ounces of gold per ton.

Exploration expenses for the Gold Star project for the year ending December 31, 2014 were $20,589.

Kibby Flats

The Kibby Flats gold-silver property is located in Esmeralda County, Nevada approximately 35 miles northwest of the town of Tonopah. The gold-silver-base metal prospect is situated along the southern extension of the Cedar Mountains and consists of 12 unpatented lode claims which are 100% owned by the Company and are accessible by dirt roads.

The property is located along the southern extension of the Cedar Mountains and is characterized by numerous old workings situated along north-northwest trending fault zones that occur near the contact with Tertiary volcanic tuffs and basement Jurassic age Dunlap and Excelsior sedimentary and meta-volcanic rocks. Preliminary exploration conducted on the claims had identified strongly anomalous to ore-grade gold and silver mineralization, as well as highly anomalous lead, zinc, arsenic, antimony, mercury and copper mineralization.

No work had been completed on the property for many years until Consolidated geologists collected reconnaissance geochemical samples in the project area during the early 2000's. The majority of rock samples were highly enriched in gold and silver, including two very high grade samples that contained 75.8 ppm silver and 16.75 ppm gold (2.21 opt Ag and 0.489 opt Au), and 106.0 ppm silver and 14.15 ppm gold (3.10 opt Ag and 0.413 opt Au).

The property was revisited in August 2013 to confirm the high grade precious metal mineralization and conduct preliminary geologic mapping. The results of the geochemical samples follow:

Sample#	Description	Au ppm	Ag ppm	Pb ppm	Cu ppm	Sb ppm
97368	Select grab rock, quartz vein Northern workings	10.01	107.3	5455	240	163
97369	Select grab rock, quartz vein Southern extension prospects	23.43	191.3	8537	171	208
97370	4 foot rock chip across alteration in Prospect pit	0.002	1.8	44	89	685

These samples confirm the significant precious metal content of this mineralized polymetallic system and also the anomalous enrichment of these metals in adjacent altered zones.

Exploration expenses for the Kibby Flat project during the year ending December 31, 2014 were $16,888.

On May 8, 2015 the Company entered into a Stock-for-Property Exchange Agreement to purchase the Kibby Flats property.

Golden Mile

The Golden Mile property consists of 13 unpatented lode claims which are 100% owned by the Company and located in Mineral County, Nevada, which comprise a significant portion of high-grade precious and base metal skarn deposit. The Company previously held 19 unpatented lode claims and after further review, the Company decided in August 2013 to reduce the number of claims held.

On February 26, 2014, the Company renegotiated the 3rd Anniversary of the Exploration and Mining Lease Agreement and Option to Purchase Royalty Agreement for the Fisher Canyon Project with Mountain Gold Claims Series 7 ("Mountain Gold"), which is owned by a former officer and director of the Company and a current director and former officer of the Company who each hold a 50% interest in the property. As a result of the negotiations the Company has quitclaimed the unpatented lode claims that represent the Golden Mile property to Mountain Gold.

Muskox Data Inventory

The Muskox intrusion is one the last undeveloped world-class Nickel-Copper-Platinum Group Element (PGE) prospects. The Company is offering for exclusive sale a complete modern data set covering this property. It represents a significant investment of time and money and would allow the owner to begin an advanced exploration program immediately.

The Muskox intrusion, located in northern Canada, is within a geological environment strikingly similar to that hosting the Noril'sk/Talnakh deposits, the world's greatest accumulation of mineral wealth on the planet. To date the potential for the Muskox intrusion to host mineralization on the scale of the Noril'sk property has barely been tested but a significant data base is available for timely and efficient exploration.

The majority of the world's PGE production is from Russia or South Africa and exploration of the Muskox intrusion presents an opportunity to discover a significant PGE deposit in a politically stable jurisdiction. CDGF is offering the data set on the entire region hosting the geologically favorable intrusion. Dr. Larry Hulburt, an acknowledged world renowned expert in ultramafic ore deposits and especially the Muskox property, organized and managed the data set.

The data set offered here represents over 15 years of exploration and 4 multi-year programs conducted back to 1955, and would easily exceed a modern 20 million dollar exploration budget. Almost every bedrock exposure has been investigated and more than 1100 surface samples have been collected along the tens of kilometers of gossan that continuously strike the margins of the intrusion.

The intrusion has been the target of greater than 5600 line kilometers of airborne magnetic and EM surveys, 466 line kilometers of ground geophysical surveys which include VLF, HLEM, Gravity, MT, and

AMT. At least 4100m of borehole geophysics and 238 diamond drill holes totaling more than 34,000m of core have been completed at the project

The data package includes the following:

1) Geological, maps/ cross sections,
2) Geochemical, soil, rock chip samples
3) Geophysical, magnetic, gravity, and other electromagnetic surveys
4) Drilling results, logs/assays
5) Reports/presentations-interpretative discussions
6) Canadian Geological Survey reports and data
7) Anglo company reports
8) BH company reports
9) Silvermet company reports
10) Muskox Minerals company reports

The following is an example of mineralization within two intervals of a drill hole from Phyrrhotite Lake, one of the many prospective areas within the intrusion:

Pyrrhotite Lake Drilling Results:

Drill Hole	From (m)	To (m)	Interval (m)	Assay Results
MU003	99.70	105.45	5.75	9.5 g/t Pd, 0.88 g/t Pt, 8.87 % Cu, 2.76 % Ni
MU003	104.20	105.20	1.00	30.75 g/t Pd, 2.48 g/t Pt, 28.01 % Cu, 5.90 % Ni

Off Balance Sheet Arrangements

The Company does not have any off balance sheet arrangements.

Summary Table

The following table set forth certain selected audited condensed financial data for the periods indicated:

Period	Net Gain (Loss)	Basic and Diluted Gain (Loss) Per Share
12/31/2014	(780,702) (1)	(0.04)
12/31/2013	(854,536) (2)	(0.03)
12/31/2012	(413,608) (3)	(0.01)

(1) Net loss of $780,702 is related to general working capital purposes, management compensation and the impairment of mineral data held for sale.
(2) Net loss of $854,536 is related to general working capital purposes and management compensation.
(3) Net loss of $413,608 is related to general working capital purposes and management compensation.

Results of Operations

The Company's net loss total $780,702 for the year ending December 31, 2014, with basic and diluted loss per share of $0.04.

- Total exploration expenses for the year ending December 31, 2014 were $154,450.
- Salaries and other benefits for the year ending December 31, 2014 were $208,469.
- Professional and consulting fees for the year ending December 31, 2014 were $215,207.
- General administrative for the year ending December 31, 2014 were $242,440. The Company issued stock based compensation for a total expense of $71,979. The Company received $12,000 for the Four Mile Basin agreement in February 2014.
- Total interest expense for the Convertible Notes Payable for the year ending December 31, 2014 was $10,140.
- The Company received a total of 15,300,000 shares of Teras Resources, Inc. common stock. The value of the stock on date of receipt was $2,626,076.

As of the year ending December 31, 2014 Consolidated sold 4,890,556 shares of Teras Resources, Inc. common stock for a total proceeds of $650,124. Commission paid to brokers for the sale totaled $20,580. The Company plans to continue the sale of Teras shares through the end of 2015. The funds will be used to begin exploration at the McClelland, Alberta and Washow properties and to further exploration at King Solomon, Fisher Canyon, and Klondike Pass as well as general working capital.

The Company held its last Annual Meeting of the Shareholders on March 31, 2014 in Reno, Nevada. The meeting was to receive and consider the election of Directors, to approve the amendment and restatement of the Company's Articles of Incorporation to increase the number of shares of the Company's common stock authorized for issuance and updating purposes, to approve the Company's Amended 2013 Stock Option and Stock Bonus Plan and the appointment of the accounting firm Decoria, Michael & Teague of Spokane, Washington as the auditors of the Company. In addition, the Board was elected, the amendment and restatement of the Company's Articles of Incorporation was approved, the Company's Amended 2013 Stock Option and Stock Bonus Plan was approved and the auditing firm was appointed.

A Special Meeting of Shareholders was held on January 12, 2015 to consider and vote; to approve the amendment of the Company's Articles of Incorporation to change the name of the Company from "Consolidated Goldfields Corporation" to "Brilliant Sands Incorporated"; to approve the amendment of the Company's Articles of Incorporation to effect a 1-for-3 reverse stock split of its issued and outstanding common stock. Both items on the agenda were confirmed and ratified. The name change

of the Company to "Brilliant Sands Incorporated" and the 1-for-3 reverse stock split became effective on March 16, 2015.

Outstanding Share Data

Summary of Securities for the year ending December 31, 2014

- Authorized share capital
  200,000,000 of voting common shares
  15,000,000 unissued shares of preferred stock, with rights and preferences to be determined by the Company's board of directors
- Shares issued and outstanding:
  At December 31, 2014 there were 29,661,064 common shares outstanding, with a recorded value of $6,840,079
- Options Outstanding:
  At December 31, 2014 there were 2,780,368 options outstanding to purchase common shares at exercise prices ranging from $0.09 - $1.05. These options expire on dates ranging from April 1, 2015 – December 22, 2024
- Warrants outstanding:
  At December 31, 2014 there were 1,554,030 share purchase warrants outstanding to purchase common shares at an exercise price of $0.75. These warrants expire on December 11, 2015

In December 2014 the Company issued 25,000 shares of common stock to a director in accordance with the term of a consulting agreement effective March 2013.

In December 2014 the Company issued 8,334 shares of common stock in accordance with an Exploration and Mining Lease with Option to Purchase Agreement.

In December 2014 the Company issued 15,666,668 shares of common stock in exchange for three Canadian frac sand properties.

In September 2014 the Company issued 25,000 shares of common stock to a director in accordance with the term of a consulting agreement effective March 2013.

In June 2014 the Company issued 25,000 shares of common stock to a director in accordance with the term of a consulting agreement effective March 2013.

In April 2014 the Company cancelled 145,667 shares of common stock in accordance with a settlement agreement entered into with a shareholder to exchange for common shares of Teras stock held by the Company.

In March 2014 the Company issued 25,000 shares of common stock to a director in accordance with the term of a consulting agreement effective March 2013.

In March 2014 the Company issued 50,000 shares of common stock to a director in accordance with the terms of the incentive package offered to him upon joining the Board.

In February 2014 the Company cancelled 333,334 shares of common stock in accordance with a settlement agreement entered into with a shareholder to exchange for common shares of Teras stock held by the Company.

In January 2014 the Company cancelled 1,112,808 shares of common stock in accordance with a settlement agreement entered into with a shareholder to exchange for common shares of Teras stock held by the Company.

In January 2014 the Company issued 69,834 shares of common stock in exchange for legal services.

In January 2014 the Company issued 3,703,334 shares of common stock in exchange for the Muskox Data Inventory.

In January 2014 the Company issued 333,334 shares of common stock to a director for generating a property the Board agrees to accept in accordance with the terms of the incentive package offered to him upon joining the Board.

In January 2014 the Company issued 200,000 shares of common stock to a former director as authorized in the executive incentive and bonus program.

In December 2013 the Company issued 50,000 shares of common stock to a director as authorized in the executive incentive and bonus program.

In December 2013 the Company issued 25,000 shares of common stock to a director in accordance with the term of a consulting agreement effective March 2013.

In September 2013 the Company issued 50,000 shares of common stock to a director as authorized in the executive incentive and bonus program.

In September 2013 the Company issued 25,000 shares of common stock to a director in accordance with the term of a consulting agreement effective March 2013.

In September 2013 the Company issued 66,667 shares of common stock to the Chairman of the Board in accordance with the terms of the incentive package offered to him upon joining the Board of Consolidated.

In June 2013 the Company issued 25,000 shares of common stock to a director in accordance with the terms of a consulting agreement effective March 2013.

In March 2013 the Company issued 116,667 shares of common stock to the Chairman of the Board in accordance with the terms of the incentive package offered to him upon joining the Board of Consolidated.

In February 2013 the Company issued 150,000 shares of common stock to a director and officer and a director as authorized in the executive incentive and bonus program. The shares were cancelled in the second quarter of 2013 and will be re-issued in the 1st quarter of 2014.

In January 2013 the Company issued 37,779 shares of common stock to a former director and former officer in accordance with terms to extend convertible notes payable. The shares were valued at $0.31 per share.

In connection with the private placement completed in June 2010, the Company issued 1,670,700 warrants exercisable into one share of common stock at an exercise price of $0.75 per share. The warrants expire two years from the date of issuance. In April 2012, 116,670 of these warrants were exercised. The remaining warrants have been extended and expire in December 2015.

Risks and Uncertainties

The principal activity of the Company is developing its Canadian frac sand properties; McClelland, Alberta, and Washow as well as the mining claims of King Solomon and Klondike Pass properties. Today, the Company has sufficient capital resources to do further exploration on its frac sand properties and the current mining claims over the next 12 months. However, the Company has no source of operating cash flow and no assurance that additional funding will be available for either further exploration and or development of its projects or to fulfill its obligations under any applicable agreements beyond this next 12 month period. Developing the properties is capital intensive and the Company will need to raise additional funding for further exploration and development activities to maintain its position in the projects. Although the Company has been successful in the past in obtaining financing through the sale of equity securities, there can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favorable. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development of the Company's projects with the possible loss of such projects.

The Company only has an interest in King Solomon and Klondike Pass through leases and other agreements granting the Company a working interest in its properties. If the Company fails to meet payments or work commitments on agreements in relation to these properties, the Company may lose its interest in it properties and forfeit any funds expended to such time.

The Company is subject to many risks common to such enterprises, including under-capitalization, cash shortages, and limitations with respect to personnel, financial, and other resources. There is no assurance that the Company will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of its early stage of operations.

Our sand operations may become subject to operating risks that are often beyond our control and could adversely affect production levels and costs. Our mining, processing and production facilities are subject to risks normally encountered in the frac sand and gold mining industries. These risks include:

- changes in the price of frac sand;
- changes in the price and availability of transportation;
- inability to obtain necessary production equipment or replacement parts;
- inclement or hazardous weather conditions, including flooding, and the physical impacts of climate change;
- unusual or unexpected geological formations or pressures;
- unanticipated ground, grade or water conditions;
- inability to acquire or maintain necessary permits or mining or water rights;
- labor disputes and disputes with our excavation contractors;
- late delivery of supplies;
- changes in the price and availability of natural gas or electricity that we use as fuel sources for our frac sand plants and equipment;
- technical difficulties or failures;
- cave-ins or similar pit wall failures;
- environmental hazards, such as unauthorized spills, releases and discharges of wastes, tank ruptures and emissions of unpermitted levels of pollutants;
- industrial accidents;
- changes in laws and regulations (or the interpretation thereof) related to the mining and oil and natural gas industries, silica dust exposure or the environment;
- inability of our customers or distribution partners to take delivery;
- reduction in the amount of water available for processing;
- fires, explosions or other accidents; and
- facility shutdowns in response to environmental regulatory actions.

Additional risks related to our gold and silver projects include:

- sales or leasing of gold by governments and central banks;
- a low rate of inflation and a strong U.S. dollar;
- global and regional recession or reduced economic activity;
- speculative trading;
- the demand for gold for industrial uses, use in jewelry, and investment;
- high supply of gold from production, disinvestment, scrap and hedging;
- interest rates;
- sales by gold producers in forward transactions and other hedging;
- the production and cost levels for gold in major gold-producing nations; and
- the cost level (in local currencies) for gold in major consuming nations.

Any of these risks could result in damage to, or destruction of, our mining properties or production facilities, personal injury, environmental damage, delays in mining or processing, losses or

possible legal liability. Any prolonged downtime or shutdowns at our mining properties or production facilities could have a material adverse effect on us.

Any drop in these mineral prices would adversely impact our future revenues and cash flows. In addition, sustained low mineral prices can:

- reduce revenues further by production cutbacks due to cessation of the mining of deposits or portions of deposits that have become uneconomic at the then-prevailing prices;
- halt or delay the development of new projects; and
- reduce funds available for exploration, with the result that depleted minerals are not replaced

Exploration for minerals involves many risks, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Operations in which the Company has a direct or indirect interest will be subject to all the hazards and risks normally incidental to exploration, development and production of minerals, any of which could result in work stoppages, damage to persons or property and possible environmental damage. Unusual or unexpected formations, formation pressures, fires, power outages, labor disruptions, flooding, explosions, cave-ins, landslides and the inability to obtain suitable or adequate machinery, equipment or labor are other risks involved in the operation of mines and the conduct of exploration programs.

To the extent that the Company is not the operator of its properties, the Company will be dependent on such other operators for the timing of activities related to such properties and will be largely unable to direct or control the activities of the operators. As a result, there is no assurance that the work required to bring such properties to the next stage of development will be completed.

From time to time, the Company may enter into transactions to acquire assets or the shares of other corporations. These transactions may be financed partially or wholly with debt, which may increase debt levels of the Company above industry standards. Depending on future exploration and development plans, the Company may require additional financing which may not be available or, if available, may not be available on favorable terms.

Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mineral operations, such as seepage from tailings disposal areas, which would result in environmental pollution. A breach of such legislation may result in the imposition of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner which means stricter standards, and enforcement, fines and penalties for non-compliance are more stringent. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the

Company's operations. The Company intends to fully comply with all environmental regulations in all of the jurisdictions in which it is active.

Government approvals, permits and licenses are required in connection with the Company's operations. There can be no assurance that the Company will be able to obtain all of the necessary approvals, licenses and permits that may be required to carry out exploration, development and operations at its projects. To the extent such approvals, permits and licenses are required and not obtained, the Company may be restricted or prohibited from proceeding with planned exploration or development activities. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions there under, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in natural resource industry operations may be required to compensate those suffering loss or damage by reason of such activities and may be liable for civil or criminal fines or penalties imposed for violations of applicable laws or regulations. Amendments to current laws, regulations and permitting requirements, or more stringent application of existing laws, could have a material adverse impact on the Company and cause increases in capital expenditures.

The mining industry is intensely competitive in all of its phases. The Company with many companies possessing greater financial resources and technical facilities than themselves. Competition could adversely affect the Company's ability to acquire suitable properties for exploration in the future.

The Company does not anticipate paying any dividends on its shares in the foreseeable future.

Development of the Company's frac sand and mineral properties will only follow upon obtaining satisfactory results. Exploration for and the development of frac sand or mineral resources involves a high degree of risk and few properties which are explored are ultimately developed into producing properties. There is no assurance that the Company's exploration and development activities will result in any discoveries of commercial bodies or ore. The long-term profitability of the Company's operations will be in part directly related to the cost and success of its exploration programs, which may be affected by a number of factors.

There is no guarantee that title to the Company's properties will not be challenged or impugned. While title has been investigated and, to the best of the Company's knowledge, title to the Company's properties is in good standing, this should not be construed as a guarantee of title.

Commitments and Contingencies

McClelland Property

The Company has entered into an Agreement of Purchase and Sale and a Production Royalty Agreement on the McClelland property which requires annual payments in the form of cash. See Note 4 to the financial statements for the year ending December 31, 2014.

Alberta Property

The Company has entered into an Agreement of Purchase and Sale and a Production Royalty Agreement on the McClelland property which requires annual payments in the form of cash. See Note 4 to the financial statements for the year ending December 31, 2014.

Washow Property

The Company has entered into an Agreement of Purchase and Sale and a Production Royalty Agreement on the McClelland property which requires annual payments in the form of cash. See Note 4 to the financial statements for the year ending December 31, 2014.

King Solomon Project

The Company has an Exploration and Mining Lease with Option to Purchase Agreement with respect to the King Solomon Project which provides for annual lease payments in the form of cash and minimum work commitments. In addition, the lease agreement provides for the Company to pay a production royalty of 2% on net smelter returns ("NSR") from the production or sale of minerals from the property. In addition the Company has agreed to a 1% of the NSR from the production or sale of minerals from all third part properties within the Property. See Note 4 to the financial statements for the year ending December 31, 2014.

Fisher Canyon Project

The Company has an Exploration and Mining Lease Agreement and Option to Purchase Royalty Agreement with respect to the Fisher Canyon Project which provides for annual lease payments in the form of cash and shares of Teras common stock and minimum work commitments. In addition, the lease agreement provides for the Company to pay a production royalty of 3% on net smelter returns ("NSR") from the production or sale of minerals from the property. See Note 4 to the financial statements for the year ending December 31, 2014.

As of May 1, 2015, the Company has abandoned its interest in the Fisher Canyon property.

Klondike Pass Project

The Company has entered into an Exploration and Option to Purchase Agreement for the Klondike Pass Property which requires annual payments in the form of cash and minimum work commitments. In addition, the lease agreement provides for the Company to pay a production royalty of 2.5% on net smelter returns ("NSR") from the production or sale of minerals from the property. See Note 4 to the financial statements for the year ending December 31, 2014.

Rose Gulch Project

The Company has entered into an Exploration and Mining Lease Agreement and Option to Purchase Agreement the Rose Gulch Property which requires annual payments in the form of cash and minimum work commitments. In addition, the lease agreement provides for the Company to pay a production royalty of 2% on net smelter returns ("NSR") from the production or sale of minerals from the property. See Note 4 to the financial statements for the year ending December 31, 2014.

As of September 10, 2014, the Company has abandoned its interest in the Rose Gulch property.

Cahuilla Gold Project

The Company has six mineral lease agreements with respect to the Cahuilla Gold Project which provide for annual lease payments. In addition, the lease agreements provide for the Company to pay production royalties based on the net smelter returns ("NSR") from the production or sale of minerals from the property. The production royalty rates range from 1% to 4%. In November 2013, the Company assigned the six mineral lease agreements to Teras Resources, Inc. See Note 4 to the financial statements for the year ending December 31, 2014.

The Company has executed a formal Exploration and Option to Lease Agreement with the Torres Martinez Desert Cahuilla Indians. The Agreement was restated and amended on August 5, 2010 and requires annual option payments and minimum work commitments for a period of five years. In September 2014, the Company assigned the lease agreement with the Torres Martinez Desert Cahuilla Indians to Teras Resources, Inc. See Note 4 to the financial statement for the year ending December 31, 2014.

All of these agreements are cancelable at the option of the Company and are further discussed in Note 4 to the financial statements for the year ending December 31, 2014.

In November 2011 the Company entered into an Employment Agreement with the President/CEO whereby 2,000,000 shares will be issued as an incentive bonus as follows: 1,000,000 shares to be issued once the Company reaches a share price of $1.40 and holds for a period of 20 consecutive trading days; another 1,000,000 share bonus once the Company reaches a share price of $2.10 and maintains for a period of 20 consecutive trading days.

In the event the Company is sold or merges with another company and the value reaches above the deemed price, then the 2,000,000 shares will be distributed to the President/CEO.

The directors, at their discretion, may determine that the shares have been earned prior to reaching the above share price objectives and can issue them at any time via a director resolution.

In March 2013 the Board appointed a Chairman of the Board of Directors whereby 1,700,000 shares will be issued as an incentive bonus as follows: 350,000 shares of Company stock upon joining the board; 200,000 shares of Company stock after successful completion of 6 months as a board member; 150,000 shares of Company stock after successful completion of 12 month as a board member; 1,000,000 shares of Company stock if he generates a property that the board votes to accept and acquire.

In March 2013 the Company entered into a consulting agreement with the Chairman of the Board to provide assistance in corporate affairs. For services rendered, the Company will issue to the consultant 25,000 common shares in the Company each month, payable at the end of each quarter. The term of this agreement is effective for one year and will be automatically renewed for further terms of one year until terminated in accordance with the agreement. On January 1, 2015, the Company entered into a new consulting agreement with the Chairman of the Board to provide assistance in corporate affairs.

This agreement supersedes and replaces all existing agreement between the Company and the consultant.