

U.S. SECURITIES AND EXCHANGE COMMISSION  
 Washington, D.C. 20549

FORM SB-2  
 Registration Statement  
 Under the Securities Act of 1933

Madrona Ventures Inc.  
 (Name of Small Business Issuer in Its Charter)

|   |   |   |
|---|---|---|
| NEVADA  | 1000  | N/A                                     |
| (State or Other Jurisdiction of<br>Incorporation or Organization) | (Primary Standard Industrial<br>Classification Code Number) | (I.R.S. Employer<br>Identification No.) |

|   |                          |
|---|--------------------------|
| 102-5212 48th Street<br>Red Deer, Alberta, Canada T4N 7C3 | (403) 770-8095           |
| (Address of principal Executive Offices)                  | (Telephone & Fax Number) |

|  |                    |                |
|--|--------------------|----------------|
| Empire Stock Transfer<br>2470 St. Rose Parkway, Suite 304<br>Henderson, NV 89074 | (702) 818-5898     | (702) 974-1444 |
| (Name and Address of Agent for Service)  | (Telephone Number) | (Fax Number)   |

Approximate Date of Commencement of Proposed Sale to the Public: As soon as practicable after the effective date of this Registration Statement.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If delivery of the prospectus is expected to be made pursuant to Rule 434, check the following box.

CALCULATION OF REGISTRATION FEE

| Title of Each Class of Securities to be Registered | Amount to be Registered | Proposed Maximum Offering Price Per Share (2) | Proposed Maximum Aggregate Offering Price (3) | Amount of Registration Fee (1) |
|--|-------------------------|---|---|--------------------------------|
| Common Stock Shares                                | 1,525,000               | \$0.25  | \$381,250                                     | \$40.79                        |

- (1) Registration Fee has been paid via Fedwire.
- (2) This is the initial offering and no current trading market exists for our common stock. The average price paid for the currently issued and outstanding common stock was \$0.01 per share.
- (3) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(c).

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file

a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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PROSPECTUS  
MADRONA VENTURES INC.  
1,525,000 SHARES OF COMMON STOCK AT \$.25 PER SHARE

The selling shareholders named in this prospectus are offering all of the shares of common stock offered through this prospectus. Madrona Ventures Inc. will not receive any proceeds from the sale of shares by the selling shareholders.

Our common stock is presently not traded on any market or securities exchange.

The sales price to the public was set by the selling shareholders at \$0.25 per share for a total of \$381,250. The price of \$0.25 per share is a fixed price until the shares are listed on the OTC Bulletin Board or other national exchange, and thereafter at prevailing market prices or privately negotiated prices.

INVESTORS IN THE COMMON STOCK SHOULD HAVE THE ABILITY TO LOSE THEIR ENTIRE INVESTMENT SINCE AN INVESTMENT IN THE COMMON STOCK IS SPECULATIVE AND SUBJECT TO MANY RISKS, INCLUDING THE QUESTION AS TO WHETHER WE CAN CONTINUE AS A GOING CONCERN AND OUR NEED TO RAISE OPERATING CAPITAL. SEE SECTION ENTITLED "RISK FACTORS" ON PAGE 4.

Neither the Securities Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

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## SUMMARY

You should read the following summary together with the more detailed business information and the financial statements and related notes that appear elsewhere in this registration statement. In this document, unless the context otherwise denotes, references to "we", "us", "our", "Madrona" and "Madrona Ventures" are to Madrona Ventures Inc.

Madrona Ventures Inc. was incorporated in Nevada on June 21, 2005 to engage in the acquisition, exploration and development of natural resource properties. We are an exploration stage company with no revenues and limited operating history. The principal executive offices are located at 102-5212 48th Street, Red Deer, Alberta, Canada T4N 7C3. The telephone number is (403)770-8095.

We received our initial funding of \$5,000 through the sale of common stock to our directors in February, 2006 (5,000,000 shares at \$0.001) and to investors from the period of March, 2006 through May, 2006. In March 2006 we offered and sold 1,300,000 common stock shares at \$0.01 per share to 16 non-affiliated private investors for proceeds of \$13,000. In April 2006 we offered and sold 75,000 common stock shares at \$0.10 per share to 15 non-affiliated private investors for proceeds of \$7,500. In May 2006 we offered and sold 150,000 common stock shares at \$0.20 per share to 3 non-affiliated private investors for proceeds of \$30,000.

From inception until the date of this filing we have had limited operating activities. Our audited financial statements for the period ended October 31, 2006 report no revenues and a net loss of \$40,488. Our independent auditors have issued an audit opinion for Madrona which includes a statement expressing substantial doubt as to our ability to continue as a going concern.

Our mineral claim has been staked and we hired a professional geologist to prepare a geological report. We have not yet commenced any exploration activities on the claim. Our property, known as the Telluric Gold Property may not contain any reserves and funds that we spend on exploration will be lost. Even if we complete our current exploration program and are successful in identifying a mineral deposit we will be required to expend substantial funds to bring our claim to production.

## OFFERING

|                                   |   |
|-----------------------------------|---|
| Securities Being Offered          | Up to 1,525,000 shares of common stock. The securities being offered are those of the existing shareholders only.   |
| Price per share                   | \$0.25 as determined by the selling shareholders. The price of \$0.25 per share is a fixed price until the securities are listed on the OTC Bulletin Board or other national exchange, and thereafter at prevailing market prices or privately negotiated prices. |
| Securities Issued And Outstanding | 6,525,000 shares of common stock were issued and outstanding as of the date of this prospectus.   |
| Use of Proceeds                   | We will not receive any proceeds from the sale of the common stock by the selling shareholders.   |
| Plan of Distribution              | We are unaware of the nature and timing of any future sales of our common stock by existing security shareholders.  |

## RISK FACTORS

An investment in these securities involves an exceptionally high degree of risk and is extremely speculative in nature. Following are what we believe to be all the material risks involved if you decide to purchase shares in this offering.

## RISKS ASSOCIATED WITH OUR COMPANY:

WE ARE AN EXPLORATION STAGE COMPANY BUT HAVE NOT YET COMMENCED EXPLORATION

ACTIVITIES ON OUR CLAIM. WE EXPECT TO INCUR OPERATING LOSSES FOR THE FORESEEABLE FUTURE.

We have not yet commenced exploration on the Telluric Gold Property. Accordingly, we have no way to evaluate the likelihood that our business will be successful. We were incorporated on June 21, 2005 and to date have been involved primarily in organizational activities and the acquisition of the mineral claim. We have not earned any revenues as of the date of this registration statement. The likelihood of success must be considered in light of the problems, expenses, difficulties, complications and delays encountered in connection with the exploration of the mineral properties that we plan to undertake. These potential problems include, but are not limited to, unanticipated problems relating to exploration, and additional costs and expenses that may exceed current estimates. Prior to completion of our exploration stage, we anticipate that we will incur increased operating expenses without realizing any revenues. We expect to incur significant losses into the foreseeable future. We recognize that if we are unable to generate significant revenues from development and production of minerals from the claim, we will not be able to earn profits or continue operations. There is no history upon which to base any assumption as to the likelihood that we will prove successful, and it is doubtful that we will generate any operating revenues or ever achieve profitable operations. If we are unsuccessful in addressing these risks, our business will most likely fail.

OUR INDEPENDENT AUDITOR HAS ISSUED AN AUDIT OPINION FOR MADRONA VENTURES INC. WHICH INCLUDES A STATEMENT DESCRIBING OUR GOING CONCERN STATUS. OUR FINANCIAL STATUS CREATES A DOUBT WHETHER WE WILL CONTINUE AS A GOING CONCERN.

As described in Note 1 of our accompanying financial statements, our lack of operations and any guaranteed sources of future capital create substantial doubt as to our ability to continue as a going concern. If our business plan does not work, we could remain as a start-up company with limited operations and revenues.

BECAUSE MANAGEMENT HAS NO EXPERIENCE IN MINERAL EXPLORATION, OUR BUSINESS HAS A HIGHER RISK OF FAILURE.

Our management has no professional training or technical credentials in the field of geology. As a result, they may not be able to recognize and take advantage of potential acquisition and exploration opportunities in the sector without the aid of qualified geological consultants. Their decisions and choices may not take into account standard engineering or managerial approaches mineral exploration companies commonly use. Consequently our operations, earnings and ultimate financial success may suffer irreparable harm as a result.

THERE IS THE RISK THAT OUR PROPERTY DOES NOT CONTAIN ANY KNOWN BODIES OF ORE RESULTING IN ANY FUNDS SPENT ON EXPLORATION BEING LOST.

There is the likelihood of our mineral claim containing little or no economic mineralization or reserves of minerals. We have a geological report and the claim has been staked per British Columbia regulations.

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However; there is the possibility that our claim does not contain any reserves, resulting in any funds spent on exploration being lost.

BECAUSE WE HAVE NOT SURVEYED THE CLAIM, WE MAY DISCOVER MINERALIZATION ON THE CLAIM THAT IS NOT WITHIN OUR CLAIM BOUNDARIES.

While we have conducted a mineral claim title search, this should not be construed as a guarantee of claim boundaries. Until the claim is surveyed, the precise location of the boundaries of the claim may be in doubt. If we discover mineralization that is close to the claim boundaries, it is possible that some or all of the mineralization may occur outside the boundaries. In such a case we would not have the right to extract those minerals.

IF WE DISCOVER COMMERCIAL RESERVES OF PRECIOUS METALS ON OUR MINERAL PROPERTY, WE CAN PROVIDE NO ASSURANCE THAT WE WILL BE ABLE TO SUCCESSFULLY ADVANCE THE MINERAL CLAIMS INTO COMMERCIAL PRODUCTION.

If our exploration program is successful in establishing ore of commercial

tonnage and grade, we will require additional funds in order to advance the claim into commercial production. Obtaining additional financing would be subject to a number of factors, including the market price for the minerals, investor acceptance of our claims and general market conditions. These factors may make the timing, amount, terms or conditions of additional financing unavailable to us. The most likely source of future funds is through the sale of equity capital. Any sale of share capital will result in dilution to existing shareholders. We may be unable to obtain any such funds, or to obtain such funds on terms that we consider economically feasible and you may lose any investment you make in this offering.

IF ACCESS TO OUR MINERAL CLAIM IS RESTRICTED BY INCLEMENT WEATHER, WE MAY BE DELAYED IN OUR EXPLORATION AND ANY FUTURE MINING EFFORTS.

It is possible that snow or rain could cause the mining roads providing access to our claim to become impassable. The area where the claim is located experiences significant precipitation, most of it snow in the wintertime. Winters generally last from November through mid-March. If the roads are impassable we would be delayed in our exploration timetable.

GOVERNMENT REGULATION OR OTHER LEGAL UNCERTAINTIES MAY INCREASE COSTS AND OUR BUSINESS WILL BE NEGATIVELY AFFECTED.

There are several governmental regulations that materially restrict mineral claim exploration and development. Under Canadian mining law, engaging in certain types of exploration requires work permits, the posting of bonds, and the performance of remediation work for any physical disturbance to the land. While these current laws will not affect our initial exploration phase, if we identify exploitable minerals and proceed to excavation operations on the claim, we will incur regulatory compliance costs based upon the size and scope of our operations. In addition, new regulations could increase our costs of doing business and prevent us from exploring for and the exploitation of ore deposits. In addition to new laws and regulations being adopted, existing laws may be applied to mining that have not as yet been applied. These new laws may increase our cost of doing business with the result that our financial condition and operating results may be harmed.

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BECAUSE OUR CURRENT OFFICERS AND DIRECTORS HAVE OTHER BUSINESS INTERESTS, THEY MAY NOT BE ABLE OR WILLING TO DEVOTE A SUFFICIENT AMOUNT OF TIME TO OUR BUSINESS OPERATIONS, CAUSING OUR BUSINESS TO FAIL.

Mssrs. Baglole and Shaw, our officers and directors, currently devote approximately 5-7 hours per week providing management services to us. While they presently possess adequate time to attend to our interests, it is possible that the demands on them from their other obligations could increase, with the result that they would no longer be able to devote sufficient time to the management of our business. This could negatively impact our business development.

THERE IS NO CURRENT PUBLIC MARKET FOR OUR SECURITIES. WE HAVE NO CURRENT PUBLIC OFFERING AND NO PROPOSED PUBLIC OFFERING OF OUR EQUITY. AS OUR STOCK IS NOT PUBLICLY TRADED, INVESTORS SHOULD BE AWARE THEY PROBABLY WILL BE UNABLE TO SELL THEIR SHARES AND THEIR INVESTMENT IN OUR SECURITIES IS NOT LIQUID.

We are not registered on any public stock exchange; however, we plan to contact a market maker to obtain a listing for trading on the OTC Electronic Bulletin Board. We do not know when we will be able to contact the market maker, and there is no guarantee of trading volume or trading price levels sufficient for investors to sell their stock, recover their investment in our stock, or profit from the sale of their stock.

THE TRADING IN OUR SHARES WILL BE REGULATED BY SECURITIES AND EXCHANGE COMMISSION RULE 15G-9 WHICH ESTABLISHED THE DEFINITION OF A "PENNY STOCK."

Our shares are defined as a penny stock under the Securities and Exchange Act of 1934, and rules of the Commission. The Exchange Act and such penny stock rules generally impose additional sales practice and disclosure requirements on broker-dealers who sell our securities to persons other than certain accredited investors who are, generally, institutions with assets in excess of \$5,000,000 or individuals with net worth in excess of \$1,000,000 or annual income exceeding \$200,000 (\$300,000 jointly with spouse), or in transactions not recommended by the broker-dealer. For

transactions covered by the penny stock rules, a broker-dealer must make a suitability determination for each purchaser and receive the purchaser's written agreement prior to the sale. In addition, the broker-dealer must make certain mandated disclosures in penny stock transactions, including the actual sale or purchase price and actual bid and offer quotations, the compensation to be received by the broker-dealer and certain associated persons, and deliver certain disclosures required by the Commission. Consequently, the penny stock rules may make it difficult for our shareholders to resell any shares, if at all.

WE WILL INCUR ONGOING COSTS AND EXPENSES FOR SEC REPORTING AND COMPLIANCE. WITHOUT REVENUE WE MAY NOT BE ABLE TO REMAIN IN COMPLIANCE, MAKING IT DIFFICULT FOR INVESTORS TO SELL THEIR SHARES, IF AT ALL.

We plan to contact a market maker immediately following the effectiveness of this registration statement and apply to have the shares quoted on the OTC Electronic Bulletin Board. To be eligible for quotation, issuers must remain current in their filings with the SEC. In order for us to remain in compliance we will require cash to cover the cost of these filings, which could comprise a substantial portion of our available cash resources. If we are unable to remain in compliance it may be difficult for our shareholders to resell any shares, if at all.

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#### FORWARD LOOKING STATEMENTS

This prospectus contains forward-looking statements that involve risk and uncertainties. We use words such as "anticipate", "believe", "plan", "expect", "future", "intend", and similar expressions to identify such forward-looking statements. Investors should be aware that all forward-looking statements contained within this filing are good faith estimates of management as of the date of this filing. Our actual results could differ materially from those anticipated in these forward-looking statements for many reasons, including the risks faced by us as described in the "Risk Factors" section and elsewhere in this prospectus.

#### USE OF PROCEEDS

We will not receive any proceeds from the sale of the common stock offered through this prospectus by the selling shareholders.

#### DETERMINATION OF OFFERING PRICE

The shareholders set the offering price of the common stock at \$0.25 per share. The shareholders set the offering price of the common stock at \$0.25 per share. The shareholders arbitrarily set the offering price based upon their collective judgment as to a price per share they were willing to accept. The price of \$0.25 per share is a fixed price until the securities are listed on the OTC Bulletin Board or other national exchange, and thereafter at prevailing market prices or privately negotiated prices.

#### DIVIDEND POLICY

We have never declared or paid any cash dividends on our common stock. We currently intend to retain future earnings, if any, to finance the expansion of the business. As a result, we do not anticipate paying any cash dividends in the foreseeable future.

#### SELLING SHAREHOLDERS

The selling shareholders named in this prospectus are offering all of the 1,525,000 shares of common stock offered. The shares include the following:

1. 6,525,000 shares of our common stock that the selling shareholders acquired from us in an offering that was exempt from registration pursuant to Section 4(2) as amended of the Securities Act of 1933 and completed in May, 2006.

The following table provides as of the date of this registration statement, information regarding the beneficial ownership of our common stock held by each of the selling shareholders, including:

1. The number of shares owned by each prior to this offering;
2. The total number of shares that are to be offered for each;

3. The total number of shares that will be owned by each upon completion of the offering;
4. The percentage owned by each; and
5. The identity of the beneficial holder of any entity that owns the shares.

To the best of our knowledge, the named parties in the table that follows are the beneficial owners and have the sole voting and investment power over all shares or rights to the shares reported. In addition, the table assumes that the

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selling shareholders do not sell shares of common stock not being offered through this prospectus and do not purchase additional shares of common stock. The column reporting the percentage owned upon completion assumes that all shares offered are sold, and is calculated based on 6,525,000 shares outstanding on October 31, 2006.

| Name of<br>Selling Shareholder | Shares<br>Owned Prior<br>To This<br>Offering | Total of<br>Shares<br>Offered<br>For Sale | Total<br>Shares<br>After<br>Offering | Percent<br>Owned<br>After<br>Offering |
|--------------------------------|--|---|--------------------------------------|---------------------------------------|
| John Andrews                   | 50,000                                       | 50,000                                    | 0                                    | 0                                     |
| Mike Andrews                   | 100,000                                      | 100,000                                   | 0                                    | 0                                     |
| Claude Blais                   | 5,000  | 5,000                                     | 0                                    | 0                                     |
| Blair Brown                    | 5,000  | 5,000                                     | 0                                    | 0                                     |
| Orville Burns                  | 5,000  | 5,000                                     | 0                                    | 0                                     |
| Jen Davie                      | 5,000  | 5,000                                     | 0                                    | 0                                     |
| Shannon Devlin                 | 50,000                                       | 50,000                                    | 0                                    | 0                                     |
| Peter Fry                      | 100,000                                      | 100,000                                   | 0                                    | 0                                     |
| Kathy Fuller                   | 100,000                                      | 100,000                                   | 0                                    | 0                                     |
| D. Gibbon                      | 50,000                                       | 50,000                                    | 0                                    | 0                                     |
| Craig Grimes                   | 5,000  | 5,000                                     | 0                                    | 0                                     |
| David Hanson                   | 50,000                                       | 50,000                                    | 0                                    | 0                                     |
| Wally Henderson                | 100,000                                      | 100,000                                   | 0                                    | 0                                     |
| Martin Holmes                  | 5,000  | 5,000                                     | 0                                    | 0                                     |
| Ben Jones                      | 50,000                                       | 50,000                                    | 0                                    | 0                                     |
| Kevin Jones                    | 100,000                                      | 100,000                                   | 0                                    | 0                                     |
| Peter Keay                     | 5,000  | 5,000                                     | 0                                    | 0                                     |
| Jim Kelly                      | 50,000                                       | 50,000                                    | 0                                    | 0                                     |
| Bruce Kenset                   | 5,000  | 5,000                                     | 0                                    | 0                                     |
| Sean Killick                   | 100,000                                      | 100,000                                   | 0                                    | 0                                     |
| Terry Matthews                 | 50,000                                       | 50,000                                    | 0                                    | 0                                     |
| Cathy McDonald                 | 5,000  | 5,000                                     | 0                                    | 0                                     |
| Len McNabb                     | 5,000  | 5,000                                     | 0                                    | 0                                     |
| Norman Mitchell                | 5,000  | 5,000                                     | 0                                    | 0                                     |
| Dave Moran                     | 100,000                                      | 100,000                                   | 0                                    | 0                                     |
| Kristen Nelson                 | 5,000  | 5,000                                     | 0                                    | 0                                     |
| Jessica Pittman                | 50,000                                       | 50,000                                    | 0                                    | 0                                     |
| Joe Singh                      | 100,000                                      | 100,000                                   | 0                                    | 0                                     |
| Derk Stevens                   | 5,000  | 5,000                                     | 0                                    | 0                                     |
| Mark Tanner                    | 50,000                                       | 50,000                                    | 0                                    | 0                                     |
| Andy Taylor                    | 5,000  | 5,000                                     | 0                                    | 0                                     |
| Cris Thomos                    | 100,000                                      | 100,000                                   | 0                                    | 0                                     |
| Leslie Welton                  | 5,000  | 5,000                                     | 0                                    | 0                                     |
| Glenn Wong                     | 100,000                                      | 100,000                                   | 0                                    | 0                                     |

To our knowledge, none of the selling shareholders:

1. Has had a material relationship with Madrona other than as a shareholder as noted above at any time within the past three years;

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2. Has ever been an officer or director of Madrona; or
3. Are broker-dealers or affiliated with broker-dealers.

#### PLAN OF DISTRIBUTION

The selling shareholders have not informed us of how they plan to sell their shares. However, they may sell some or all of their common stock in one or more transactions:

1. on such public markets or exchanges as the common stock may from time

- to time be trading;
2. in privately negotiated transactions; or
  3. in any combination of these methods of distribution.

The sales price to the public has been determined by the shareholders to be \$0.25. The price of \$0.25 per share is a fixed price until the securities are listed on the OTC Bulletin Board or other national exchange, and thereafter at prevailing market prices or privately negotiated prices.

The shares may also be sold in compliance with the Securities and Exchange Commission's Rule 144. Under Rule 144, several provisions must be met with respect to the sales of control securities at any time and sales of restricted securities held between one and two years. The following is a summary of the provisions of Rule 144: (a) Rule 144 is available only if the issuer is current in its filings under the Securities and Exchange Act of 1934. Such filings include, but are not limited to, the issuer's quarterly reports and annual reports; (b) Rule 144 allows resale of restricted and control securities after a one year hold period, subjected to certain volume limitations, and re-sales by non-affiliates holders without limitations after two years; ( c ) The sales of securities made under Rule 144 during any three-month period are limited to the greater of: (i) 1% of the outstanding common stock of the issuer; or (ii) the average weekly reported trading volume in the outstanding common stock reported on all securities exchanges during the four calendar weeks preceding the filing of the required notice of the sale under Rule 144 with the SEC.

The selling shareholders may also sell their shares directly through market makers acting in their capacity as broker-dealers. We will apply to have our shares of common stock registered on the OTC Bulletin Board immediately after the date of this prospectus. We anticipate once the shares are trading on the OTC Bulletin Board the selling shareholders will sell their shares directly into any market created. Selling shareholders will offer their shares at a fixed price of \$0.25 per share until the common stock is trading on the OTC Bulletin Board at which time the prices the selling shareholders will receive will be determined by the market conditions. Selling shareholders may also sell in private transactions. We cannot predict the price at which shares may be sold or whether the common stock will ever trade on any market. The shares may be sold by the selling shareholders, as the case may be, from time to time, in one or more transactions. We do not intend to enter into any arrangements with any securities dealers concerning solicitation of offers to purchase the shares.

Commissions and discounts paid in connection with the sale of the shares by the selling shareholders will be determined through negotiations between them and the broker-dealers through or to which the securities are to be sold and may vary, depending on the broker-dealers fee schedule, the size of the transaction and other factors. The separate costs of the selling shareholders will be borne by them. The selling shareholders will, and any broker-broker dealer or agent that participates with the selling shareholders in the sale of the shares by them may be deemed an "underwriter" within the meaning of the Securities Act, and any commissions or discounts received by them and any profits on the resale of shares purchased by them may be deemed to be underwriting commissions under the Securities Act. In the event any selling shareholder engages a broker-dealer to distribute its shares, and the broker-dealer is acting as underwriter, we will be required to file a post effective amendment containing the name of the underwriter.

The selling shareholders must comply with the requirements of the Securities Act of 1933 and the Securities Exchange Act of 1934 in the offer and sale of their common stock. In particular, during times that the selling shareholders may be deemed to be engaged in a distribution of the common stock, and therefore be considered to be an underwriter, they must comply with applicable law.

Regulation M prohibits certain market activities by persons selling securities in a distribution. To demonstrate their understanding of those restrictions and others, selling shareholders will be required, prior to the release of un-legended shares to themselves or any transferee, to represent as follows: that they have delivered a copy of this prospectus, and if they are effecting sales on the Electronic Bulletin Board or inter-dealer quotation system or any electronic network, that neither they nor any affiliates or person acting on their behalf, directly or indirectly, has engaged in any short sale of our common stock; and for a period commencing at least 5 business days before his first sale and ending with the date of his last sale, bid for, purchase, or attempt to induce any person to bid for or purchase our common stock.



If we become listed for trading on the OTC Electronic Bulletin Board the trading in our shares will be regulated by Securities and Exchange Commission Rule 15g-9 which established the definition of a "penny stock."

The Securities and Exchange Commission Rule 15g-9 establishes the definition of a "penny stock", for the purposes relevant to Madrona Ventures, as any equity security that has a market price of less than \$5.00 per share or with an exercise price of less than \$5.00 per share, subject to certain exceptions. For any transaction involving a penny stock, unless exempt, the rules require: (a) that a broker or dealer approve a person's account for transactions in penny stocks; and (b) the broker or dealer receive from the investor a written agreement to the transaction, setting forth the identity and quantity of the penny stock to be purchased. In order to approve a person's account for transactions in penny stocks, the broker or dealer must (a) obtain financial information and investment experience objectives of the person; and (b) make a reasonable determination that the transactions in penny stocks are suitable for that person and the person has sufficient knowledge and experience in financial matters to be capable of evaluating the risks of transactions in penny stocks. The broker or dealer must also deliver, prior to any transaction in a penny stock, a disclosure schedule prepared by the broker/dealer relating to the penny stock market, which, in highlight form, (a) sets forth the basis on which the broker or dealer made the suitability determination; and (b) that the broker or dealer received a signed, written agreement from the investor prior to the transaction. Before you trade a penny stock your broker is required to tell you the offer and the bid on the stock, and the compensation the salesperson and the firm receive for the trade. The firm must also mail a monthly statement showing the market value of each penny stock held in your account.

We can provide no assurance that all or any of the common stock offered will be sold by the selling shareholders.

We are bearing all costs relating to the registration of the common stock. Any commissions or other fees payable to brokers or dealers in connection with any sale of the common stock, however, will be borne by the selling shareholders or other party selling the common stock. We will use our best efforts to update the registration statement and maintain its effectiveness for one year.

#### LEGAL PROCEEDINGS

We are not currently involved in any legal proceedings and we are not aware of any pending or potential legal actions.

#### DIRECTORS, EXECUTIVE OFFICERS, PROMOTERS AND CONTROL PERSONS

The officers and directors of Madrona Ventures Inc., whose one year terms will expire on 07/01/07, or at such a time as their successor(s) shall be elected and qualified are as follows:

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| Name & Address<br>-----  | Age<br>--- | Position<br>-----  | Date First Elected<br>----- | Term Expires<br>----- |
|--|------------|--|-----------------------------|-----------------------|
| Reese Baglole<br>102-5212 48th Street<br>Red Deer, Alberta<br>Canada T4N 7C3 | 27         | President,<br>Secretary,<br>Treasurer,<br>CFO, CEO &<br>Director | 6/21/05                     | 07/01/07              |
| Dave Shaw<br>332-118 Wyse Road<br>Dartmouth, Nova Scotia<br>Canada B3A 1N7   | 59         | Director   | 6/21/05                     | 07/01/07              |

The persons named above are promoters of Madrona Ventures Inc., as that term is defined in the rules and regulations promulgated under the Securities and Exchange Act of 1933.

Directors are elected to serve until the next annual meeting of stockholders and until their successors have been elected and qualified. Officers are appointed to serve until the meeting of the board of directors following the next annual meeting of stockholders and until their successors have been elected and qualified.

Our directors currently devote as much time as the board of directors deems necessary to manage the affairs of the company.

Neither of our officers and directors has been the subject of any order, judgment, or decree of any court of competent jurisdiction, or any regulatory agency permanently or temporarily enjoining, barring, suspending or otherwise limiting them from acting as an investment advisor, underwriter, broker or dealer in the securities industry, or as an affiliated person, director or employee of an investment company, bank, savings and loan association, or insurance company or from engaging in or continuing any conduct or practice in connection with any such activity or in connection with the purchase or sale of any securities.

Neither has been convicted in any criminal proceeding (excluding traffic violations) and are not the subject of a criminal proceeding which is currently pending.

RESUMES

REESE BAGLOLE has been President, CEO, Treasurer, CFO, Secretary and Director of the Company since inception.

From 2001 to the present he has been employed by Esco, Ltd. as a welder. Esco, Ltd. is a offshore drilling rig company.

1996 Graduate of Hugh Sutherland High School in Carstair, Alberta, Canada.

DAVE SHAW has been Director of the Company since inception.

From 2003 to the present he has been retired. The 10 years prior to retirement Mr. Shaw was employed as a welder and pipe fitter for Petro Canada, a petroleum supply company.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth information on the ownership of Madrona Ventures Inc. voting securities by officers, directors and major shareholders as well as those who own beneficially more than five percent of our common stock as of the date of this prospectus:

| Name of Beneficial Owner(1)       | No. of Shares | Percentage of Ownership: |
|-----------------------------------|---------------|--------------------------|
| Reese Baglole                     | 2,500,000     | 25%                      |
| Dave Shaw                         | 2,500,000     | 25%                      |
| Officers and Directors as a Group | 5,000,000     | 50%                      |

(1) The persons named may be deemed to be a "parent" and "promoter" of the Company, within the meaning of such terms under the Securities Act of 1933, as amended.

DESCRIPTION OF SECURITIES

COMMON STOCK

The authorized capital stock of the Company consists of 75,000,000 shares of Common Stock, par value \$.001. The holders of common stock currently (i) have equal ratable rights to dividends from funds legally available therefore, when, as and if declared by the Board of Directors of the Company; (ii) are entitled to share ratably in all of the assets of the Company available for distribution to holders of common stock upon liquidation, dissolution or winding up of the affairs of the Company; (iii) do not have preemptive, subscription or conversion rights and there are no redemption or sinking fund provisions or rights applicable thereto; and (iv) are entitled to one non-cumulative vote per share on all matters on which stockholders may vote. All shares of common stock now outstanding are fully paid for and non-assessable and all shares of common stock which are the subject of this Offering, when issued, will be fully paid for and non-assessable. Please refer to the Company's Articles of Incorporation, By-Laws and the applicable statutes of the State of Nevada for a more complete description of the rights and liabilities of holders of the Company's securities.

#### NON-CUMULATIVE VOTING

The holders of shares of our common stock do not have cumulative voting rights, which means that the holders of more than 50% of such outstanding shares, voting for the election of directors, can elect all of the directors to be elected, if they so choose, and, in such event, the holders of the remaining shares will not be able to elect any of the company's directors. After this Offering is completed, the present stockholder will own 50% of the outstanding shares. (See "Principal Stockholders".)

#### INTEREST OF NAMED EXPERTS AND COUNSEL

None of the below described experts or counsel have been hired on a contingent basis and none of them will receive a direct or indirect interest in the company.

Our financial statements for the period from inception to the year ended July 31, 2006 and the 3 months ended October 31, 2006, included in this prospectus, have been audited by Dale Matheson Carr-Hilton LaBonte LLP, "DMCL" Chartered Accountants, Suite 1500 - 1140 West Pender Street, Vancouver, BC Canada V6E4G1. We include the financial statements in reliance on their reports, given upon their authority as experts in accounting and auditing.

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The Law Office of Daniel C. Masters, 4490 Philbrook Square, San Diego, California 92130 has passed upon the validity of the shares being offered and certain other legal matters and is representing us in connection with this offering.

Andre M. Pauwels, P. Geo., 4900 Mariposa Court, Richmond, B.C. Canada V7C 2J9, has provided us with the geology report contained herein.

#### DISCLOSURE OF COMMISSION POSITION OF INDEMNIFICATION FOR SECURITIES ACT LIABILITIES

Insofar as indemnification for liabilities arising under the Securities Act of 1933 (the "Act") may be permitted to directors, officers and controlling persons of the small business issuer pursuant to the By-Laws of the company, or otherwise, we have been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act, and is, therefore unenforceable.

In the event that a claim for indemnification against such liabilities (other than the payment of expenses incurred or paid by a director, officer or controlling person in the successful defense of any action, suit or proceeding) is asserted by such director, officer, or other control person in connection with the securities being registered, we will, unless in the opinion of our legal counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it, is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

#### ORGANIZATION WITHIN THE LAST FIVE YEARS

Madrona Ventures Inc. was incorporated in Nevada on June 21, 2005 to engage in the business of acquisition, exploration and development of natural resource properties. At that time Reese Baglole and Dave Shaw were named officers and directors of the company and the Board of Directors voted to seek capital and begin development of our business plan. We received our initial funding of \$5,000 through the sale of common stock to Mr. Baglole and Mr. Shaw who each purchased 2,500,000 shares of our Common Stock at \$0.001 per share in February 2006.

#### DESCRIPTION OF BUSINESS

We are an exploration stage company with no revenues and a limited operating history. Our independent auditor has issued an audit opinion which includes a statement expressing substantial doubt as to our ability to continue as a going concern. The source of information contained in this discussion is our geology report that has been included as Exhibit 99.1 to this prospectus.

There is the likelihood of our mineral claim containing little or no economic mineralization. The Telluric Gold Property, consisting of 2 Mineral Title

Submissions containing 40 cells totaling 1,099 acres, is the only property currently in the company's portfolio. If our claim does not contain any reserves all funds that we spend on exploration will be lost. Even if we complete our current exploration program and are successful in identifying a mineral deposit we will be required to expend substantial funds on further drilling and engineering studies before we will know if we have a commercially viable mineral deposit or reserve.

#### GLOSSARY

- Andesitic to basaltic composition - a range of rock descriptions using the chemical make-up or mineral norms of the same.
- Formation - the fundamental unit of similar rock assemblages used in stratigraphy.
- Intermontane belt - between mountains (ranges), a usually longer than wide depression occurring between enclosing mountain ranges that supply erosional material to infill the basin.
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- Mineral tenure of British Columbia - the rights, privileges and obligations specified, by the acquisition of mineral tenure, in the Mineral Tenure Act of the Province. Specifics of what a mineral tenure holder can, cannot and must do to hold mineral title in British Columbia, Canada. Since B.C. is a Provincial jurisdiction mineral tenure lies with the province unless federal jurisdiction is encroached, i.e. fisheries or if the mineral activity takes place in a federal territory, i.e. Nunavit. Also a federally chartered company may have to use Canadian (federal) rules and regulations.
- Upper Triassic age Nicola Group - upper Triassic refers to rock units of similar age within the range of 213 -248 million year, before the present. Age descriptions often use the adjectives, lower-middle-upper to further define the position of age. To constitute a group it must be composed of at least two formations.

#### GENERAL INFORMATION

The one property in our portfolio is the Telluric Gold Property, consisting of 1,099 acres, included within 40 cells. The claims were staked using the British Columbia Mineral Titles Online computer Internet system and assigned Tenure No. 518818 and 518828 and are good to August 8, 2008.

The mineral claim property is located in South Central British Columbia, Canada, 60 km north-northwest of the City of Kamloops on NTS Sheet 92P (Latitude: 51(0) 39' 12"N and Longitude: 122(0) 33' 10" W). The property can be reached by road from Kamloops by following paved Highway 1 west to 8 km west of the Community of Savona and then north for 48 km along the Deadman River road to the Vidette Lake Resort. One km past the Vidette Lake Resort, a ranch road branching north, gives access to the B.C. Forest Service 3300 logging road. The property itself is along the 3800 road, a southerly branch of the 3300 road. Total driving distance from the Vidette Lake resort is 17.5 km. The nearest community with some basic services is Savona, a town situated along the Trans-Canada Highway. The city of Kamloops offers much of the necessary infrastructure required to base and carry-out an exploration program (accommodations, communications, equipment and supplies). Kamloops, B.C. is highway accessible from Vancouver, B.C. in a few hours by traveling over the Coquihalla Highway. The property is situated on the Fraser plateau, an area with gentle relief, but incised by the Deadman River. Elevations on the property vary from 1180 to 1380 m above sea level. Vegetation consists mainly of lodge pole pine and douglas fir. The climate is characterised by hot and dry summers and cold but wetter winters. Most precipitation falls in the form of snow during the wintertime. Snow cover prevails from mid November

until mid April.

The claim has had no known mineral exploration. We have not carried out any exploration work on the claim and have incurred no exploration costs. The future cost of exploration work on the property is disclosed in detail in the Plan of Operation section of this prospectus.

There is not a plant or any equipment currently located on the property.

It is expected that the initial exploration phase will be supported by generators. Water required for exploration and development of the claim is available from several creeks and fresh water lakes located in the area.

It is concluded by our geologist that the claims are prospective for gold in quartz veins. It is proposed to explore the area with geochemical methods. It is recommended to do detailed and systematic bark sampling in the area. Biogeochemical sampling has some potential to negate the effects of the glacial cover especially if the cover does not exceed more than a few meters. Specifically it is recommended to:

1. Establish a grid over a 1000 by 500 m area and centred on the Telluric Shaft. Lines should be oriented N25E across the strike of the known Telluric vein, extend 250m to the NE and 250m to the southwest. Trees are to be sampled at 25 m intervals west of the shaft, where overburden prevails and at 50 m intervals east of the shaft where the shear zone/vein is intermittently exposed over 150 m of strike.

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2. Establish a grid over a 500 by 500m area around the Moon showing. Lines to be oriented north-south and spaced 100 meters apart. Trees to be sampled at 50 m intervals along lines.
3. If positive results are found from the bark sampling, a program of trenching with a backhoe of all areas with high gold in bark is recommended

The cost of the proposed program is \$6,952 (USD) for the initial phase of exploration work, \$5,417 for the 2nd phase and \$16,996 for the 3rd phase. We plan to commence Phase 1 of the exploration program in the spring of 2007.

The discussions contained herein are management's estimates based on information provided by the professional geologist who prepared the geology report for the project. Because we have not commenced our exploration program we cannot provide a more detailed discussion of our plans if we find a viable store of minerals on our property, as there is no guarantee that exploitable mineralization will be found, the quantity or type of minerals if they are found and the extraction process that will be required.

#### ACQUISITION OF THE MINERAL CLAIM

The Telluric Gold Property is assigned Tenure Numbers 518818 and 518828 and is recorded in the name Andre Pauwels, the professional geologist. The claim was staked by Mr. Pauwels on behalf of J. Lunshof on September 6, 2005. On March 15, 2006 Andre Pauwels, through a bill of sale, transferred his 100 % interest in the claims to J. Lunshof. On May 1, 2006, J. Lunshof in turn sold a 100% interest in the mineral claim to MADRONA VENTURES INC. All of the area of the mineral claims is unencumbered Crown Land. The claim is in good standing to August 8, 2008.

#### REQUIREMENTS OR CONDITIONS FOR RETENTION OF TITLE

Title to the property has already been granted to the company. The claim was staked using the British Columbia Mineral Titles Online computer Internet system. All claims staked in British Columbia require \$0.40 per hectare worth of assessment work to be undertaken in year 1 through 3, followed by \$0.80 per hectare per year thereafter. In order to retain title to the property exploration work costs must be recorded and filed with the British Columbia Department of Energy Mines and Petroleum Resources ("BCDM"). The BCDM charges a filing fee, equal to 10% of the value of the work recorded, to record the work.

#### LOCATION, ACCESS, CLIMATE, LOCAL RESOURCES & INFRASTRUCTURE

The property is situated in South Central British Columbia; 60 km north-northwest of the City of Williams Lake. The property can be reached by road from Kamloops by following paved Highway 1 west to 8 km west of the

Community of Savona and then north for 48 km along the Deadman River road to the Vidette Lake Resort. One km past the Vidette Lake Resort, a ranch road branching north, gives access to the B.C. Forest Service 3300 logging road. The property itself is along the 3800 road, a southerly branch of the 3300 road. Total driving distance from the Vidette Lake resort is 17.5 km.

The nearest community with some basic services is Savona, a town situated along the Trans-Canada Highway. The City of Kamloops is a regional population centre with many services and amenities for industrial, educational and leisure activities.

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[MAP SHOWING THE TELLURIC GOLD LOCATION]

The property is situated on the Fraser plateau, an area with gentle relief, but incised by the Deadman River. Elevations on the property vary from 1180 to 1380 m above sea level. Vegetation consists mainly of lodge pole pine and Douglas fir. The climate is characterised by hot and dry summers and cold but wetter winters. Most precipitation falls in the form of snow during the wintertime. Snow cover prevails from mid November until mid April.

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[MAP SHOWING THE TELLURIC GOLD PROJECT ACCESS ROADS]

## HISTORY

The general area, as most of British Columbia, is covered by regional stream sediment surveys, systematic wide spaced aeromagnetic coverage and regional geological mapping. These data were generated by the Geological Survey of Canada and/or the BC Geological survey. From Historic records two gold showings are known on the property: Telluric and Moon. The Telluric gold showing was discovered in the early thirties and was described in some detail by a B.C. government agent in 1936. Work at that time, consisting of a 15 m deep shaft and some drifting along a shearzone with goldbearing quartz veins, was done by the same company that was mining at the Vidette Lake gold mine located 15 km to the west of Telluric. Production at Telluric, if any, can only have been very small considering the small volume of waste piles. Work on the property apparently ceased when the Vidette Gold mine closed in 1930's

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In 1987-89 the Telluric property was owned by M. Dickens and exploration work consisted of prospecting and a small VLF-EM and ground magnetic survey. Prospecting indicated that the area to the east of the shaft has some outcrop of mafic volcanic with indications of the vein/shear zone in old trenches. However no outcrop was found along the possible western extension of the vein/shearzone. The VLF/magnetic survey was centered on the shaft but no conductivity or magnetic signature was found to be associated with the shear zone.

Very little documentation is available on the Moon gold showing, located 2km south of the Telluric showing. The only report is a mention in 1936 of a small sample of quartz from a blast pit that assayed 0.02 oz/t of gold.

## GEOLOGICAL SETTING

### Regional and Local Geology

The main geological information for the area is mapping on a 1/250,000 scale by the Geological Survey of Canada. These geological data are reproduced, in slightly modified form, on the BC Geological survey's website:

(<http://www.em.gov.bc.ca/Mining/Geolsurv/MapPlace/>).

The property is situated in the intermontane morpho-geological belt of South Central British Columbia. In general this belt, that runs parallel to the general north-westerly trend of the Cordillera through the whole length of British Columbia, is composed of volcanic and sedimentary rock ranging in age from Devonian to Recent and has early Mesozoic to early Tertiary granitic intrusions. Locally the oldest rocks are basaltic and andesitic rocks of the Upper Triassic Nicola Group intruded by granodiorites of Triassic or Jurassic age and belonging to the Thuya Batholith. These Mesozoic rocks occur as erosional windows in a regionally persistent cover of Miocene to Pliocene continental Basalt flows and coarse continental sediments of the Chilcotin Group. The area has been subject to glaciation and glacial till mantles most of the older rock formations.

No detailed geological work has been done in the area apart from some prospecting in the immediate vicinity of the Telluric gold showing (Dickens 1987) and the description, dating from 1936, of a short drift and some test pits on the Telluric showing. At Telluric gold is found in a narrow quartz veins that occur within a 1 m wide shear zone in mafic volcanic rock that are attributed to the Upper Triassic Nicola Group. The workings consist of a 15 m deep shaft that gives access to a 7 m crosscut and a 40.2 meter long drift developed along the shear zone and vein. The shear zone and vein are reported to strike 65 to 70 degrees northeast and dip steeply to the northeast. The best value reported underground in 1936 in quartz was 0.3 oz/t Au over 8 inches. Surface pits indicate that the shear zone appears to be continuous over 150 m to the east-southeast of the Telluric shaft. Assays reported in 1936 from surface pits were 0.2 oz/t over 18 inches and 0.1 oz/t Au over 18 inches. Small amounts of sphalerite, chalcopyrite and tetrahedrite were also reported.

The area of the Moon showing also appears to be underlain by basic volcanic rocks and is generally lacking in outcrop.

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[MAP SHOWING TELLURIC GOLD AREA GEOLOGY]

#### PROPERTY MINERALIZATION

The area of the claims is prospective for gold in quartz veins. Results to date indicate a 150 m long rather narrow shear zone with gold bearing quartz at the Telluric showing and a single indication of gold in quartz at the Moon showing, which is located 2 km south southwest of the Telluric showing. The shear and vein occur in metamorphic basic volcanic rocks. Past prospecting indicated that most of the area is covered by glacial drift. It was then noted that the area to the west of the Telluric showing was entirely drift covered. Limited VLF-EM and magnetic surveys were not found to be useful in tracing the shear zone with gold bearing quartz. No follow-up work has been reported on the Moon gold showing and no geochemical sampling has been reported on either showing. It is concluded that the claims are prospective for gold in quartz veins.

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#### COMPETITION

We do not compete directly with anyone for the exploration or removal of minerals from our property as we hold all interest and rights to the claim. Readily available commodities markets exist in Canada and around the world for the sale of minerals. Therefore, we will likely be able to sell any minerals that we are able to recover.

We will be subject to competition and unforeseen limited sources of supplies in the industry in the event spot shortages arise for supplies such as dynamite, and certain equipment such as bulldozers and excavators that we will need to conduct exploration. If we are unsuccessful in securing the products, equipment and services we need we may have to suspend our exploration plans until we are able to do so.

#### BANKRUPTCY OR SIMILAR PROCEEDINGS

There has been no bankruptcy, receivership or similar proceeding.

#### REORGANIZATIONS, PURCHASE OR SALE OF ASSETS

There have been no material reclassifications, mergers, consolidations, or purchase or sale of a significant amount of assets not in the ordinary course of business.

#### COMPLIANCE WITH GOVERNMENT REGULATION

We will be required to comply with all regulations, rules and directives of governmental authorities and agencies applicable to the exploration of minerals in Canada generally, and in British Columbia specifically.

The initial steps of exploration can be carried out without permitting or notification to any government body as it is deemed "low-disturbance/low-impact" by the British Columbia Department of Energy Mines and Petroleum Resources (BCDM).

With respect to the mechanized trenching or diamond drilling a plan of operation will need to be filed with the BCDM. This plan will detail the extent, location and amount of surface disturbance for the trenching and/or drilling. As the amount of trenching and drilling (initially) will be limited, the permit should be issued within 30 days. We will be required to obtain a refundable bond in the amount of \$2,000 - \$3,000 (depending on the anticipated amount of disturbance). The bond is to ensure that we reclaim or repair the disturbance caused by the trenching and drilling. Usually this reclaiming work entails filling in and smoothing the surface at trenching sites, clean up and removal of any work material, and seeding native grass/plants at the site of any disturbance.

In the event that trees larger than 6 inches in diameter need to be cut down, a permit will need to be obtained from the BC Ministry of Forests. This usually takes less than 30 days to obtain. We will try to adjust the areas we work at and trench around larger trees to avoid any disturbance to larger trees. If the disturbance to larger trees is unavoidable then a permit to cut will be obtained.

There are nominal costs involved in obtaining the BCDM or Forestry permits (less than \$100.00). The bond required by the BCDM is returned (with interest) upon proper clean up of the site. There will be costs for the crew and equipment required to fill in the trenches etc., but as heavy equipment is available locally, and the amount of disturbance is expected to be minimal, the costs will be most likely be less than \$2,500.

All claims staked in British Columbia require \$0.40 per hectare worth of assessment work to be undertaken in year 1 through 3, followed by \$0.80 per hectare per year thereafter. In order to retain title to the property exploration work costs must be recorded and filed with the British Columbia Department of Energy Mines and Petroleum Resources ("BCDM"). The BCDM charges a filing fee, equal to 10% of the value of the work recorded, to record the work.

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#### PATENTS, TRADEMARKS, FRANCHISES, CONCESSIONS, ROYALTY AGREEMENTS, OR LABOR CONTRACTS

We have no current plans for any registrations such as patents, trademarks, copyrights, franchises, concessions, royalty agreements or labor contracts. We will assess the need for any of these applications on an ongoing basis.

#### NEED FOR GOVERNMENT APPROVAL FOR ITS PRODUCTS OR SERVICES

We are not required to apply for or have any government approval for our products or services.

#### RESEARCH AND DEVELOPMENT COSTS DURING THE LAST TWO YEARS

We have not expended funds for research and development costs since inception.

#### EMPLOYEES AND EMPLOYMENT AGREEMENTS

Our only employees are our officers, Reese Baglole and Dave Shaw who currently devote as much time as the board of directors determines is necessary to manage the affairs of the company. There are no formal employment agreements between



the company and our current employees.

#### REPORTS TO SECURITIES HOLDERS

We will provide an annual report that includes audited financial information to our shareholders. We will make our financial information equally available to any interested parties or investors through compliance with the disclosure rules of Regulation S-B for a small business issuer under the Securities Exchange Act of 1934. We will become subject to disclosure filing requirements once our SB-2 registration statement becomes effective, including filing Form 10K-SB annually and Form 10Q-SB quarterly. In addition, we will file Form 8K and other proxy and information statements from time to time as required. We do not intend to voluntarily file the above reports in the event that our obligation to file such reports is suspended under the Exchange Act. The public may read and copy any materials that we file with the Securities and Exchange Commission, ("SEC"), at the SEC's Public Reference Room at 100 F Street NE, Washington, DC 20549. The public may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. The SEC maintains an Internet site (<http://www.sec.gov>) that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC.

#### PLAN OF OPERATION

Our current cash balance is \$22,459. We believe our cash balance is sufficient to fund our level of operations until May 2007. If we experience a shortage of funds prior to funding we may utilize funds from our directors, however they have no formal commitment, arrangement or legal obligation to advance or loan funds to the company. We are an exploration stage company and have generated no revenue to date. We have sold \$55,500 in equity securities to pay for our minimum level of operations.

Our auditor has issued a going concern opinion. This means that there is substantial doubt that we can continue as an on-going business for the next twelve months unless we obtain additional capital to pay our bills. This is because we have not generated revenues and no revenues are anticipated until we begin removing and selling minerals. There is no assurance we will ever reach that point.

Our exploration target is to find exploitable minerals on our property. Our success depends on achieving that target. There is the likelihood of our mineral claim containing little or no economic mineralization or reserves of minerals. There is the possibility that our claim does not contain any reserves and funds that we spend on exploration will be lost. Even if we complete our current exploration program and are successful in identifying a mineral deposit we will be required to expend substantial funds to bring our claim to production. We are unable to assure you we will be able to raise the additional funds necessary to implement any future exploration or extraction program even if mineralization is found.

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Our plan of operation for the twelve months following the date of this prospectus is to complete the three phases of the exploration program on our claim consisting of detailed prospecting, mineralization mapping, Magnetometer, grid controlled surveys over the areas of interest, induced polarization survey over grid controlled anomalous areas of interest, hoe or bulldozer trenching, mapping and sampling of bedrock anomalies. In addition to the \$29,365 we anticipate spending for Phases 1-3 of the exploration program as outlined below, we anticipate spending an additional \$5,000 on professional fees, including fees payable in connection with the filing of this registration statement and complying with reporting obligations, and general administrative costs. Total expenditures over the next 12 months are therefore expected to be approximately \$34,000. If we experience a shortage of funds prior to funding we may utilize funds from our directors, however they have no formal commitment, arrangement or legal obligation to advance or loan funds to the company.

The following three phase exploration proposal and cost estimate is offered with the understanding that consecutive phases are contingent upon positive (encouraging) results being obtained from each preceding phase:

1. Establish a grid over a 1000 by 500 m area and centred on the Telluric Shaft. Lines should be oriented N25E across the strike of the known Telluric vein, extend 250m to the NE and 250m to the southwest. Trees are to be sampled at 25 m intervals west of the shaft, where overburden prevails and at 50 m intervals east of the shaft where the

- shear zone/vein is intermittently exposed over 150 m of strike.
2. Establish a grid over a 500 by 500m area around the Moon showing. Lines to be oriented north-south and spaced 100 meters apart. Trees to be sampled at 50 m intervals along lines.
  3. If positive results are found from the bark sampling, a program of trenching with a backhoe of all areas with high gold in bark is recommended

|                      |                                  | BUDGETS |                |
|----------------------|----------------------------------|---------|----------------|
|                      |                                  | \$      | US \$          |
| 1 SAMPLING TELLURIC  |                                  |         |                |
| Travel               | 2 man days                       | 600     |                |
| Bark sampling        | Technician 3 days                | 600     |                |
| Establishing Grid    | Geologist 1 day/technician 1 day | 600     |                |
| Analysis             | 150 samples @ \$25 each          | 3750    |                |
| Sample transport     |                                  | 100     |                |
| Food Lodging         | 5 man-days \$75 per day          | 375     |                |
| Truck rental/gas     |                                  | 400     |                |
| Report/drafting      |                                  | 1500    |                |
|                      | TOTAL                            | 7925    | 6952           |
| 2 SAMPLING MOON      |                                  |         |                |
| Travel               | 2 man days                       | 600     |                |
| Bark sampling        | Technician 1 days                | 200     |                |
| Establishing Grid    | Geologist 1 day/technician 1 day | 600     |                |
| Analysis             | 60samples @ \$25 each            | 3750    |                |
| Sample transport     |                                  | 50      |                |
| Food Lodging         | 3 man-days \$75/day              | 225     |                |
| Truck rental/gas     |                                  | 250     |                |
| Report/drafting      |                                  | 500     |                |
|                      | TOTAL                            | 6175    | 5417           |
| 3 TRENCHING          |                                  |         |                |
| Backhoe rental       | 5 days @ 600/day                 | 3000    |                |
| Permitting           |                                  | 4000    |                |
| Mobe /Demobe         |                                  | 3000    |                |
| Supervision sampling | Geologist 5 days                 | 2500    |                |
| 22                   |                                  |         |                |
| Travel               | Geologist 2 days                 | 1000    |                |
| Food and Lodging     | 5 days @ \$75/day                | 375     |                |
| Truck rental /gas    | 7 days                           | 500     |                |
| Report and drafting  |                                  | 1500    |                |
| Analysis             |                                  | 1500    |                |
| Contingency          |                                  | 2000    |                |
|                      | TOTAL                            | 19375   | 16996<br>29365 |

[MAP SHOWING THE TELLURIC GOLD PROPERTY CLAIMS-ROADS-TOPOGRAPHY]

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We plan to commence Phase 1 of the exploration program on the claim in the spring of 2007. We expect this phase to take 10 days to complete and an additional one to two months for the geologist to receive the results from the assay lab and prepare his report.

The above program costs are management's estimates based upon the recommendations of the professional geologist's report and the actual project costs may exceed our estimates. To date, we have not commenced exploration.

Following phase one of the exploration program, if it proves successful in identifying mineral deposits, we intend to proceed with phase two of our exploration program. The estimated this program will take approximately 12 days to complete and an additional one to two months for the geologist to receive the results from the assay lab and prepare his report.

Subject to the results of phase 1, we anticipate commencing the second phase of our exploration program in summer 2007. Subject to financing and the results of phases 1 and 2 we anticipate commencing with phase 3 in fall 2007 or spring 2008. We have a verbal agreement with Andre Pauwels, the professional geologist who prepared the geology report on the Telluric Gold Property, to retain his services for our planned exploration program. We will require additional funding to proceed with any subsequent work on the claim; we have no current plans on how to raise the additional funding. We cannot provide any assurance that we

will be able to raise sufficient funds to proceed with any work after the first three phases of the exploration program.

#### OFF-BALANCE SHEET ARRANGEMENTS

We do not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to investors.

#### LIMITED OPERATING HISTORY; NEED FOR ADDITIONAL CAPITAL

There is no historical financial information about us on which to base an evaluation of our performance. We are an exploration stage company and have not generated revenues from operations. We cannot guarantee we will be successful in our business operations. Our business is subject to risks inherent in the establishment of a new business enterprise, including limited capital resources, possible delays in the exploration of our property, and possible cost overruns due to increases in the cost of services.

To become profitable and competitive, we must conduct the exploration of our properties before we start into production of any minerals we may find. We have no assurance that future financing will materialize. If that financing is not available to us for extraction if our exploration program is successful we may be unable to continue.

#### LIQUIDITY AND CAPITAL RESOURCES

Our current cash balance is \$29,459. If the first three phases of our exploration program are successful in identifying mineral deposits we will attempt to raise the necessary funds to proceed with subsequent drilling and extraction. The sources of funding we may consider to fund this work include a second offering, a private placement of our securities or loans from our director or others.

Our directors have agreed to advance funds to pay the cost of reclamation of the property should exploitable minerals not be found and we abandon the three phases of our exploration program and there are no remaining funds in the company. While they have agreed to advance the funds, the agreement is verbal and is unenforceable as a matter of law.

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We received our initial funding of \$5,000 through the sale of common stock to our officers and directors, who purchased 5,000,000 shares of our common stock at \$0.001 per share in February 2006 and to investors from the period of March, 2006 through May, 2006. In March 2006 we offered and sold 1,300,000 common stock shares at \$0.01 per share to 16 non-affiliated private investors for proceeds of \$13,000. In April 2006 we offered and sold 75,000 common stock shares at \$0.10 per share to 15 non-affiliated private investors for proceeds of \$7,500. In May 2006 we offered and sold 150,000 common stock shares at \$0.20 per share to 3 non-affiliated private investors for proceeds of \$30,000. From inception until the date of this filing we have had no operating activities. Our financial statements from inception (June 21, 2005) through the period ended October 31, 2006 report no revenues and a net loss of \$40,488.

#### SIGNIFICANT ACCOUNTING POLICIES

##### BASIS OF PRESENTATION

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in the United States of America and are presented in US dollars.

##### EXPLORATION STAGE COMPANY

The Company complies with Financial Accounting Standards Board Statement ("FASB") No. 7 "Accounting and Reporting by Development Stage Enterprises" in its characterization of the Company as an exploration stage enterprise.

##### MINERAL INTERESTS

The Company has been in the exploration stage of its resource business since its formation on June 21, 2005 and has not realized any revenues from its planned operations. It is primarily engaged in the acquisition and exploration of

mineral properties. Mineral property acquisition, exploration and development costs are expensed as incurred until such time as economic reserves are quantified. The recoverability of capitalized costs of mineral properties are presumed to be insupportable under FASB Statement No. 144 prior to determining the existence of a commercially mineable deposit, as contemplated by Industry Guide 7 for mining companies in the exploration stage. Further, the Company has considered the guidance under EITF 04-2 and has determined that capitalization of mineral property acquisition costs is inappropriate at the current stage of the Company's mineral property exploration activities. When it has been determined that a mineral property can be economically developed as a result of establishing proven and probable reserves, the costs incurred to develop such property will be capitalized. Such costs will be amortized using the unit-of-production method over the estimated life of proven reserves. As of the date of these financial statements, the Company has incurred only exploration costs which have been charged to operations. To date the Company has not established any proven or probable reserves on its mineral properties.

The Company has adopted the provisions of Statement of Financial Accounting Standards ("SFAS") No. 143 "Accounting for Asset Retirement Obligations" which establishes standards for the initial measurement and subsequent accounting for obligations associated with the sale, abandonment, or other disposal of long-term tangible assets arising from the acquisition, construction or development and for normal operations of such assets. As of July 31, 2006, any potential costs related to the retirement of the Company's mineral property interests have not been determined.

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#### USE OF ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

#### FOREIGN CURRENCY TRANSLATION

The financial statements are presented in United States dollars. In accordance with No. 52, "Foreign Currency Translation", foreign denominated monetary assets and liabilities are translated into their United States dollar equivalents using foreign exchange rates which prevailed at the balance sheet date. Non monetary assets are translated at the exchange rates prevailing at the transaction date. Revenue and expenses are translated at average rates of exchange during the year. Gains or losses resulting from foreign currency transactions are included in results of operations.

#### FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying value of cash and accounts payable and accrued liabilities approximates its fair value because of the short maturity of these instruments. Unless otherwise noted, it is management's opinion the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments.

#### ENVIRONMENTAL COSTS

Environmental expenditures that relate to current operations are expensed or capitalized as appropriate. Expenditures that relate to an existing condition caused by past operations, and which do not contribute to current or future revenue generation, are expensed. Liabilities are recorded when environmental assessments and/or remedial efforts are probable, and the cost can be reasonably estimated. Generally, the timing of these accruals coincides with the earlier of completion of a feasibility study or the Company's commitments to plan of action based on the then known facts.

#### INCOME TAXES

The Company follows the liability method of accounting for income taxes. Under this method, deferred income tax assets and liabilities are recognized for the estimated tax consequences attributable to differences between the financial statement carrying values and their respective income tax basis (temporary differences). The effect on deferred income tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the

enactment date.

#### BASIC AND DILUTED LOSS PER SHARE

The Company computes loss per share in accordance with SFAS No. 128, "Earnings per Share" which requires presentation of both basic and diluted earnings per share on the face of the statement of operations. Basic loss per share is computed by dividing net loss available to common shareholders by the weighted average number of outstanding common shares during the period. Diluted loss per share gives effect to all dilutive potential common shares outstanding during the period including stock options and warrants using the treasury method. Dilutive loss per share excludes all potential common shares if their effect is anti-dilutive.

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#### STOCK-BASED COMPENSATION

In December 2004, the FASB issued SFAS No. 123R, "Share-Based Payment", which replaced SFAS No. 123, "Accounting for Stock-Based Compensation" and superseded APB Opinion No. 25, "Accounting for Stock Issued to Employees". In January 2005, the Securities and Exchange Commission ("SEC") issued Staff Accounting Bulletin ("SAB") No. 107, "Share-Based Payment", which provides supplemental implementation guidance for SFAS No. 123R. SFAS No. 123R requires all share-based payments to employees, including grants of employee stock options, to be recognized in the financial statements based on the grant date fair value of the award. SFAS No. 123R was to be effective for interim or annual reporting periods beginning on or after June 15, 2005, but in April 2005 the SEC issued a rule that will permit most registrants to implement SFAS No. 123R at the beginning of their next fiscal year, instead of the next reporting period as required by SFAS No. 123R. The pro-forma disclosures previously permitted under SFAS No. 123 no longer will be an alternative to financial statement recognition. Under SFAS No. 123R, the Company must determine the appropriate fair value model to be used for valuing share-based payments, the amortization method for compensation cost and the transition method to be used at date of adoption. The transition methods include prospective and retroactive adoption options. Under the retroactive options, prior periods may be restated either as of the beginning of the year of adoption or for all periods presented. The prospective method requires that compensation expense be recorded for all unvested stock options and restricted stock at the beginning of the first quarter of adoption of SFAS No. 123R, while the retroactive methods would record compensation expense for all unvested stock options and restricted stock beginning with the first period restated. The Company has adopted the prospective method of SFAS No. 123R on August 1, 2005, the beginning of fiscal year 2006. As the Company had no outstanding stock options at August 1, 2005 no compensation expense was recorded.

#### RECENT ACCOUNTING PRONOUNCEMENTS

In February 2006, the FASB issued SFAS No. 155, "Accounting for Certain Hybrid Financial Instruments—an amendment of FASB Statements No. 133 and 140", to simplify and make more consistent the accounting for certain financial instruments. SFAS No. 155 amends SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities", to permit fair value re-measurement for any hybrid financial instrument with an embedded derivative that otherwise would require bifurcation, provided that the whole instrument is accounted for on a fair value basis. SFAS No. 155 amends SFAS No. 140, "Accounting for the Impairment or Disposal of Long-Lived Assets", to allow a qualifying special-purpose entity to hold a derivative financial instrument that pertains to a beneficial interest other than another derivative financial instrument. SFAS No. 155 applies to all financial instruments acquired or issued after the beginning of an entity's first fiscal year that begins after September 15, 2006, with earlier application allowed. This standard is not expected to have a significant effect on the Company's future reported financial position or results of operations.

In March 2006, the FASB issued SFAS No. 156, "Accounting for Servicing of Financial Assets, an amendment of FASB Statement No. 140, Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities". This statement requires all separately recognized servicing assets and servicing liabilities be initially measured at fair value, if practicable, and permits for subsequent measurement using either fair value measurement with changes in fair value reflected in earnings or the amortization and impairment requirements of Statement No. 140. The subsequent measurement of separately recognized servicing assets and servicing liabilities at fair value eliminates the necessity for

entities that manage the risks inherent in servicing assets and servicing liabilities with derivatives to qualify for hedge accounting treatment and eliminates the characterization of declines in fair value as impairments or direct write-downs. SFAS No. 156 is effective for an entity's first fiscal year beginning after September 15, 2006. This adoption of this statement is not expected to have a significant effect on the Company's future reported financial position or results of operations.

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#### RECENT ACCOUNTING PRONOUNCEMENTS (CONTINUED)

In September 2006, the FASB issued SFAS No. 157, "FAIR VALUE MEASURES" ("SFAS No. 157"). This Statement defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles (GAAP), expands disclosures about fair value measurements, and applies under other accounting pronouncements that require or permit fair value measurements. SFAS No. 157 does not require any new fair value measurements. However, the FASB anticipates that for some entities, the application of SFAS No. 157 will change current practice. SFAS No. 157 is effective for financial statements issued for fiscal years beginning after November 15, 2007, which for the Company would be its fiscal year beginning August 31, 2008. The Company is currently evaluating the impact of SFAS No. 157 but does not expect that it will have a material impact on its financial statements.

In September 2006, the FASB issued SFAS No. 158, "Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans." This Statement requires an employer to recognize the over funded or under funded status of a defined benefit post retirement plan (other than a multiemployer plan) as an asset or liability in its statement of financial position, and to recognize changes in that funded status in the year in which the changes occur through comprehensive income. SFAS No. 158 is effective for fiscal years ending after December 15, 2006. The Company does not expect that the implementation of SFAS No. 158 will have any material impact on its financial position and results of operations.

In September 2006, the SEC issued Staff Accounting Bulletin ("SAB") No. 108, "Considering the Effects of Prior Year Misstatements when Quantifying Misstatements in Current Year Financial Statements." SAB No. 108 addresses how the effects of prior year uncorrected misstatements should be considered when quantifying misstatements in current year financial statements. SAB No. 108 requires companies to quantify misstatements using a balance sheet and income statement approach and to evaluate whether either approach results in quantifying an error that is material in light of relevant quantitative and qualitative factors. SAB No. 108 is effective for periods ending after November 15, 2006. The Company is currently evaluating the impact of adopting SAB No. 108 but does not expect that it will have a material effect on its financial statements.

#### DESCRIPTION OF PROPERTY

We do not currently own any property. We are currently utilizing space at the residence of our president at 102-5212 48th Street, Red Deer, Alberta Canada. We believe the current premises are sufficient for our needs at this time.

We currently have no investment policies as they pertain to real estate, real estate interests or real estate mortgages.

#### CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

In February 2006, a total of 5,000,000 shares of Common Stock were issued to Reese Baglole and Dave Shaw in exchange for \$5,000 US, or \$.001 per share. All of such shares are "restricted" securities, as that term is defined by the Securities Act of 1933, as amended, and are held by the officers and directors of the Company. (See "Principal Stockholders".)

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#### MARKET FOR COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

We plan to contact a market maker immediately following the completion of the offering and apply to have the shares quoted on the OTC Electronic Bulletin Board (OTCBB). The OTCBB is a regulated quotation service that displays real-time quotes, last sale prices and volume information in over-the-counter (OTC) securities. The OTCBB is not an issuer listing service, market or exchange. Although the OTCBB does not have any listing requirements per se, to

be eligible for quotation on the OTCBB, issuers must remain current in their filings with the SEC or applicable regulatory authority. Market Makers are not permitted to begin quotation of a security whose issuer does not meet this filing requirement. Securities already quoted on the OTCBB that become delinquent in their required filings will be removed following a 30 or 60 day grace period if they do not make their required filing during that time. We cannot guarantee that our application will be accepted or approved and our stock listed and quoted for sale. As of the date of this filing, there have been no discussions or understandings between Madrona Ventures Inc., and, anyone acting on our behalf with any market maker regarding participation in a future trading market for our securities.

As of the date of this filing, there is no public market for our securities. There has been no public trading of our securities, and, therefore, no high and low bid pricing. As of the date of this prospectus we have one shareholder of record. We have paid no cash dividends and have no outstanding options.

#### PENNY STOCK RULES

The Securities and Exchange Commission has also adopted rules that regulate broker-dealer practices in connection with transactions in penny stocks. Penny stocks are generally equity securities with a price of less than \$5.00 (other than securities registered on certain national securities exchanges or quoted on the Nasdaq system, provided that current price and volume information with respect to transactions in such securities is provided by the exchange or system).

A purchaser is purchasing penny stock which limits the ability to sell the stock. The shares offered by this prospectus constitute penny stock under the Securities and Exchange Act. The shares will remain penny stocks for the foreseeable future. The classification of penny stock makes it more difficult for a broker-dealer to sell the stock into a secondary market, which makes it more difficult for a purchaser to liquidate his/her investment. Any broker-dealer engaged by the purchaser for the purpose of selling his or her shares in us will be subject to Rules 15c-1 through 15c-10 of the Securities and Exchange Act. Rather than creating a need to comply with those rules, some broker-dealers will refuse to attempt to sell penny stock.

The penny stock rules require a broker-dealer, prior to a transaction in a penny stock not otherwise exempt from those rules, to deliver a standardized risk disclosure document, which:

- contains a description of the nature and level of risk in the market for penny stock in both public offerings and secondary trading;
- contains a description of the broker's or dealer's duties to the customer and of the rights and remedies available to the customer with respect to a violation of such duties or other requirements of the Securities Act of 1934, as amended;
- contains a brief, clear, narrative description of a dealer market, including "bid" and "ask" price for the penny stock and the significance of the spread between the bid and ask price;
- contains a toll-free telephone number for inquiries on disciplinary actions;

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- defines significant terms in the disclosure document or in the conduct of trading penny stocks; and
- contains such other information and is in such form (including language, type, size and format) as the Securities and Exchange Commission shall require by rule or regulation;

The broker-dealer also must provide, prior to effecting any transaction in a penny stock, to the customer:

- the bid and offer quotations for the penny stock;
- the compensation of the broker-dealer and its salesperson in the transaction;
- the number of shares to which such bid and ask prices apply, or other comparable information relating to the depth and liquidity of the market for such stock; and
- monthly account statements showing the market value of each penny stock held in the customer's account.

In addition, the penny stock rules require that prior to a transaction in a

penny stock not otherwise exempt from those rules; the broker-dealer must make a special written determination that the penny stock is a suitable investment for the purchaser and receive the purchaser's written acknowledgment of the receipt of a risk disclosure statement, a written agreement to transactions involving penny stocks, and a signed and dated copy of a written suitability statement. These disclosure requirements will have the effect of reducing the trading activity in the secondary market for our stock because it will be subject to these penny stock rules. Therefore, stockholders may have difficulty selling their securities.

REPORTS

We will become subject to certain filing requirements and will furnish annual financial reports to our stockholders, certified by our independent accountant, and will furnish un-audited quarterly financial reports in our quarterly reports filed electronically with the SEC. All reports and information filed by us can be found at the SEC website, www.sec.gov.

EXECUTIVE COMPENSATION

Our current officers receive no compensation. The current Board of Directors is comprised solely of Reese Baglole and Dave Shaw.

Summary Compensation Table

| Name & Principal Position | Year | Salary(\$) | Bonus(\$) | Other Annual Compensation(\$) | Restricted Stock Award(s)(\$) | Options SARs(#) | LTIP Payouts(\$) | All Other Compensation(\$) |
|---------------------------|------|------------|-----------|-------------------------------|-------------------------------|-----------------|------------------|----------------------------|
| R Baglole<br>President    | 2006 | -0-        | -0-       | -0-                           | -0-                           | -0-             | -0-              | -0-                        |
|                           | 2005 | -0-        | -0-       | -0-                           | -0-                           | -0-             | -0-              | -0-                        |
| D Shaw<br>Director        | 2006 | -0-        | -0-       | -0-                           | -0-                           | -0-             | -0-              | -0-                        |
|                           | 2005 | -0-        | -0-       | -0-                           | -0-                           | -0-             | -0-              | -0-                        |

There are no current employment agreements between the company and its executive officers.

In February 2006, a total of 5,000,000 shares of common stock were issued to Reese Baglole and David Shaw in exchange for cash in the amount of \$5,000 U.S., or \$.001 per share.

The terms of these stock issuances were as fair to the company, in the opinion of the board of directors, as could have been made with an unaffiliated third party.

Reese Baglole and Dave Shaw currently devote approximately 5-7 hours per week to manage the affairs of the company. They have agreed to work with no remuneration until such time as the company receives sufficient revenues necessary to provide management salaries. At this time, we cannot accurately estimate when sufficient revenues will occur to implement this compensation, or what the amount of the compensation will be.

There are no annuity, pension or retirement benefits proposed to be paid to officers, directors or employees in the event of retirement at normal retirement date pursuant to any presently existing plan provided or contributed to by the company or any of its subsidiaries, if any.

FINANCIAL STATEMENTS

The financial statements of Madrona Ventures Inc. for the years ended July 31, 2006 and 2005, and related notes, included in this prospectus have been audited by Dale Matheson Carr-Hilton LaBonte LLP, "DMCL" Chartered Accountants, and have been so included in reliance upon the opinion of such accountants given upon their authority as an expert in auditing and accounting.

The financial statements of Madrona Ventures Inc. for the period ended October 31, 2006, and related notes, prepared by the company and included in this



prospectus have been reviewed by Dale Matheson Carr-Hilton LaBonte LLP, "DMCL" Chartered Accountants.

CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON FINANCIAL DISCLOSURE

None.

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[LETTERHEAD OF DALE MATHESON CARR-HILTON LABONTE LLP CHARTERED ACCOUNTANTS]

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

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To the Stockholders and Board of Directors of Madrona Ventures Inc.:

We have audited the balance sheets of Madrona Ventures Inc. (an exploration stage company) as at July 31, 2006 and 2005 and the statements of operations, stockholders' equity and cash flows for the year ended July 31, 2006, the period from June 21, 2005 (Inception) to July 31, 2005 and the period from June 21, 2005 (Inception) to July 31, 2006. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at July 30, 2006 and 2005 and the results of its operations and cash flows and changes in stockholders' equity for the year ended July 31, 2006, the period from June 21, 2005 (Inception) to July 31, 2005 and the period from June 21, 2005 (Inception) to July 31, 2006 in conformity with accounting principles generally accepted in the United States of America.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1 to the financial statements, to date the Company has not generated revenues since inception, has incurred losses in developing its business, and further losses are anticipated. The Company requires additional funds to meet its obligations and finance its operations. These factors raise substantial doubt about the Company's ability to continue as a going concern. Management's plans in this regard are described in Note 1. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/s/ DALE MATHESON CARR-HILTON LABONTE LLP

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DALE MATHESON CARR-HILTON LABONTE LLP  
CHARTERED ACCOUNTANTS

Vancouver, Canada  
October 11, 2006

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MADRONA VENTURES INC.  
(An Exploration Stage Company)  
BALANCE SHEETS

|  | October 31,<br>2006<br>-----<br>(Unaudited) | July 31,<br>2006<br>-----<br>(Audited) | July 31,<br>2005<br>-----<br>(Audited) |
|--|---|--|--|
| ASSETS   |   |  |  |
| Current assets   |   |  |  |
| Cash   | \$ 22,459                                   | \$ 30,822                              | \$ --                                  |
| LIABILITIES  |   |  |  |
| Current liabilities  |   |  |  |
| Accounts payable and accrued liabilities                             | \$ 7,447                                    | \$ 7,447                               | \$ --                                  |
| STOCKHOLDERS' EQUITY   |   |  |  |
| Common stock (Note 4)  |   |  |  |
| Authorized:  |   |  |  |
| 75,000,000 common shares with a par value of \$0.001                 |   |  |  |
| Issued and outstanding:  |   |  |  |
| 6,525,000 common shares (July 31, 2006-6,525,000; July 31, 2005-Nil) | 6,525                                       | 6,525                                  | --                                     |
| Additional paid in capital   | 48,975                                      | 48,975                                 | --                                     |
| Deficit accumulated during the exploration stage                     | (40,488)                                    | (32,125)                               | --                                     |
|  | -----                                       | -----                                  | -----                                  |
|  | 15,012                                      | 23,375                                 |  |
|  | -----                                       | -----                                  | -----                                  |
|  | \$ 22,459                                   | \$ 30,822                              | \$ --                                  |
|  | -----                                       | -----                                  | -----                                  |

Nature and continuance of operations (Note 1)

- See Accompanying Notes -

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MADRONA VENTURES INC.  
(An Exploration Stage Company)  
Statements of Operations

|  | Three Months<br>ended<br>October 31,<br>2006<br>-----<br>(Unaudited) | Year ended<br>July 31,<br>2006<br>-----<br>(Audited) | Period from<br>June 21, 2005<br>(Inception) to<br>July 31,<br>2005<br>-----<br>(Audited) | Period from<br>June 21, 2005<br>(Inception) to<br>July 31,<br>2006<br>-----<br>(Audited) | Cumulative from<br>June 21, 2005<br>(Inception) to<br>October 31,<br>2006<br>-----<br>(Unaudited) |
|--|--|--|--|--|---|
| EXPENSES   |  |  |  |  |   |
| General and administrative                       | \$ 795   | \$ 678   | \$ --  | \$ 678   | \$ 1,473  |
| Mineral Interest (Note 3)                        | 7,568  | 31,447   | --   | 31,447   | 39,015  |
|  | -----  | -----  | -----  | -----  | -----   |
| NET LOSS   | \$ 8,363   | \$ 32,125  | \$ --  | \$ 32,125  | \$ 40,488   |
|  | -----  | -----  | -----  | -----  | -----   |
| BASIC AND DILUTED NET LOSS PER SHARE             | \$ (0.00)  | \$ (0.02)  | \$ --  |  |   |
|  | -----  | -----  | -----  |  |   |
| WEIGHTED AVERAGE NUMBER OF SHARES<br>OUTSTANDING | 6,525,000  | 2,003,219  | --   |  |   |
|  | -----  | -----  | -----  |  |   |

- See Accompanying Notes -

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MADRONA VENTURES INC.  
(An Exploration Stage Company)  
STATEMENT OF STOCKHOLDERS' EQUITY  
For the period June 21, 2005 (Inception) to October 31, 2006

|               |                       |   |
|---------------|-----------------------|---|
| Common Shares | Additional<br>Paid-in | Deficit<br>Accumulated<br>During the<br>Exploration |
|---------------|-----------------------|---|

|                                       | Number    | Par Value | Capital | Stage    | Total    |
|---------------------------------------|-----------|-----------|---------|----------|----------|
|                                       | - \$ -    |           | - \$ -  | - \$ -   | - \$ -   |
| Balance June 21, 2005                 | --        | --        | --      | --       | --       |
| Balance July 31, 2005                 | --        | --        | --      | --       | --       |
| Common shares issued for cash:        |           |           |         |          |          |
| - March 2006 at \$0.001 per share     | 5,000,000 | 5,000     | --      | --       | 5,000    |
| - March 2006 at \$0.01 per share      | 1,300,000 | 1,300     | 11,700  | --       | 13,000   |
| - April 2006 at \$0.10 per share      | 75,000    | 75        | 7,425   | --       | 7,500    |
| - May 2006 at \$0.20 per share        | 150,000   | 150       | 29,850  | --       | 30,000   |
| Net loss                              | --        | --        | --      | (32,125) | (32,125) |
| Balance, July 31, 2006 (Audited)      | 6,525,000 | 6,525     | 48,975  | (32,125) | 23,375   |
| Net loss                              | --        | --        | --      | (8,363)  | (8,363)  |
| Balance, October 31, 2006 (Unaudited) | 6,525,000 | 6,525     | 48,975  | (40,488) | 15,012   |

- See Accompanying Notes -

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MADRONA VENTURES INC.  
(An Exploration Stage Company)  
Statements of Cash Flows

|  | Three Months ended | Year ended  | Period from    | Period from    | Cumulative from |
|--|--------------------|-------------|----------------|----------------|-----------------|
|  | October 31,        | July 31,    | (Inception) to | (Inception) to | (Inception) to  |
|  | 2006               | 2006        | July 31,       | July 31,       | October 31,     |
|  | 2006               | 2006        | 2005           | 2006           | 2006            |
|  | (Unaudited)        | (Audited)   | (Audited)      | (Audited)      | (Unaudited)     |
| CASH FLOWS FROM OPERATING ACTIVITIES       |                    |             |                |                |                 |
| Net loss                                   | \$ (8,363)         | \$ (32,125) | \$ --          | \$ (32,125)    | \$ (40,488)     |
| Changes in non cash working capital items: |                    |             |                |                |                 |
| Accounts payable and accrued liabilities   | 7,447              | 7,447       | --             | 7,447          | 7,447           |
| Net cash used in operations                | (8,363)            | (24,678)    | --             | (24,678)       | (33,041)        |
| CASH FLOWS FROM FINANCING ACTIVITIES       |                    |             |                |                |                 |
| Shares issued for cash                     | --                 | 55,000      | --             | 55,500         | 55,500          |
| Net cash provided by financing activities  | --                 | 55,000      | --             | 55,500         | 55,500          |
| NET INCREASE IN CASH                       | (8363)             | 30,822      | --             | 30,822         | 22,459          |
| CASH, BEGINNING                            | 30,822             | --          | --             | --             | --              |
| CASH, ENDING                               | \$ 22,459          | \$ 30,822   | \$ --          | \$ 30,822      | \$ 22,459       |
| SUPPLEMENTAL CASH FLOW INFORMATION:        |                    |             |                |                |                 |
| Cash paid for:                             |                    |             |                |                |                 |
| - Interest                                 | --                 | --          | --             | --             | --              |
| - Income taxes                             | --                 | --          | --             | --             | --              |

- See Accompanying Notes -

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MADRONA VENTURES INC.  
(An Exploration Stage Company)  
Notes To The Financial Statements  
October 31, 2006

1. NATURE OF OPERATIONS

The Company was incorporated in the State of Nevada on June 21, 2005 and is

in the exploration stage. The recoverability of costs incurred for acquisition and exploration of the property will be dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying property, the ability of the Company to obtain necessary financing to satisfy the expenditure requirements under the property agreement and to complete the development of the property and upon future profitable production or proceeds from the sale thereof.

These financial statements have been prepared on a going concern basis which assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The Company has incurred losses of \$32,125 since inception and further losses are anticipated in the development of its business raising doubt about the Company's ability to continue as a going concern. The ability to continue as a going concern is dependent upon the Company generating profitable operations in the future and/or obtaining the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they come due. Management intends to finance operating costs over the next twelve months with existing cash on hand and loans from directors and or private placement of common stock.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### BASIS OF PRESENTATION

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in the United States of America and are presented in US dollars.

### EXPLORATION STAGE COMPANY

The Company complies with Financial Accounting Standards Board Statement ("FASB") No. 7 "Accounting and Reporting by Development Stage Enterprises" in its characterization of the Company as an exploration stage enterprise.

### MINERAL INTERESTS

The Company has been in the exploration stage of its resource business since its formation on June 21, 2005 and has not realized any revenues from its planned operations. It is primarily engaged in the acquisition and exploration of mineral properties. Mineral property acquisition, exploration and development costs are expensed as incurred until such time as economic reserves are quantified. The recoverability of capitalized costs of mineral properties are presumed to be insupportable under FASB Statement No. 144 prior to determining the existence of a commercially mineable deposit, as contemplated by Industry Guide 7 for mining companies in the exploration stage. Further, the Company has considered the guidance under EITF 04-2 and has determined that capitalization of mineral property acquisition costs is inappropriate at the current stage of the Company's mineral property exploration activities. When it has been determined that a mineral property can be economically developed as a result of establishing proven and probable reserves, the costs incurred to develop such property will be capitalized. Such costs will be amortized using the unit-of-production method over the estimated life of proven reserves. As of the date of these financial statements, the Company has incurred only exploration costs which have been charged to operations. To date the Company has not established any proven or probable reserves on its mineral properties.

The Company has adopted the provisions of Statement of Financial Accounting Standards ("SFAS") No. 143 "Accounting for Asset Retirement Obligations" which establishes standards for the initial measurement and subsequent accounting for obligations associated with the sale, abandonment, or other disposal of long-term tangible assets arising from the acquisition, construction or development and for normal operations of such assets. As of October 31, 2006, any potential costs related to the retirement of the Company's mineral property interests have not been determined.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### USE OF ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

### FOREIGN CURRENCY TRANSLATION

The financial statements are presented in United States dollars. In accordance with No. 52, "Foreign Currency Translation", foreign denominated monetary assets and liabilities are translated into their United States dollar equivalents using foreign exchange rates which prevailed at the balance sheet date. Non monetary assets are translated at the exchange rates prevailing at the transaction date. Revenue and expenses are translated at average rates of exchange during the year. Gains or losses resulting from foreign currency transactions are included in the results of operations.

### FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying value of cash and accounts payable and accrued liabilities approximates its fair value because of the short maturity of these instruments. Unless otherwise noted, it is management's opinion the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments.

### ENVIRONMENTAL COSTS

Environmental expenditures that relate to current operations are expensed or capitalized as appropriate. Expenditures that relate to an existing condition caused by past operations, and which do not contribute to current or future revenue generation, are expensed. Liabilities are recorded when environmental assessments and/or remedial efforts are probable, and the cost can be reasonably estimated. Generally, the timing of these accruals coincides with the earlier of completion of a feasibility study or the Company's commitments to plan of action based on the then known facts.

### INCOME TAXES

The Company follows the liability method of accounting for income taxes. Under this method, deferred income tax assets and liabilities are recognized for the estimated tax consequences attributable to differences between the financial statement carrying values and their respective income tax basis (temporary differences). The effect on deferred income tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

### BASIC AND DILUTED LOSS PER SHARE

The Company computes loss per share in accordance with SFAS No. 128, "Earnings per Share" which requires presentation of both basic and diluted earnings per share on the face of the statement of operations. Basic loss per share is computed by dividing net loss available to common shareholders by the weighted average number of outstanding common shares during the period. Diluted loss per share gives effect to all dilutive potential common shares outstanding during the period including stock options and warrants using the treasury method. Dilutive loss per share excludes all potential common shares if their effect is anti-dilutive.

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MADRONA VENTURES INC.  
(An Exploration Stage Company)  
Notes To The Financial Statements  
October 31, 2006  
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## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### STOCK-BASED COMPENSATION

In December 2004, the FASB issued SFAS No. 123R, "Share-Based Payment", which replaced SFAS No. 123, "Accounting for Stock-Based Compensation" and superseded APB Opinion No. 25, "Accounting for Stock Issued to Employees". In January 2005, the Securities and Exchange Commission ("SEC") issued Staff Accounting Bulletin ("SAB") No. 107, "Share-Based Payment", which provides supplemental implementation guidance for SFAS No. 123R. SFAS No. 123R requires all share-based payments to employees, including grants of employee stock options, to be recognized in the financial statements based on the grant date fair value of the award. SFAS No. 123R was to be effective for interim or annual reporting periods beginning on or after June 15, 2005, but in April 2005 the SEC issued a rule that will permit most registrants to implement SFAS No. 123R at the beginning of their next fiscal year, instead of the next reporting period as required by SFAS No. 123R. The pro-forma disclosures previously permitted under SFAS No. 123 no longer will be an alternative to financial statement recognition. Under SFAS No. 123R, the Company must determine the appropriate fair value model to be used for valuing share-based payments, the amortization method for compensation cost and the transition method to be used at date of adoption. The transition methods include prospective and retroactive adoption options. Under the retroactive options, prior periods may be restated either as of the beginning of the year of adoption or for all periods presented. The prospective method requires that compensation expense be recorded for all unvested stock options and restricted stock at the beginning of the first quarter of adoption of SFAS No. 123R, while the retroactive methods would record compensation expense for all unvested stock options and restricted stock beginning with the first period restated. The Company has adopted the prospective method of SFAS No. 123R on August 1, 2005, the beginning of fiscal year 2006. 2006. As the Company had no outstanding stock options at August 1, 2005 no compensation expense was recorded.

#### RECENT ACCOUNTING PRONOUNCEMENTS

In February 2006, the FASB issued SFAS No. 155, "Accounting for Certain Hybrid Financial Instruments—an amendment of FASB Statements No. 133 and 140", to simplify and make more consistent the accounting for certain financial instruments. SFAS No. 155 amends SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities", to permit fair value re-measurement for any hybrid financial instrument with an embedded derivative that otherwise would require bifurcation, provided that the whole instrument is accounted for on a fair value basis. SFAS No. 155 amends SFAS No. 140, "Accounting for the Impairment or Disposal of Long-Lived Assets", to allow a qualifying special-purpose entity to hold a derivative financial instrument that pertains to a beneficial interest other than another derivative financial instrument. SFAS No. 155 applies to all financial instruments acquired or issued after the beginning of an entity's first fiscal year that begins after September 15, 2006, with earlier application allowed. This standard is not expected to have a significant effect on the Company's future reported financial position or results of operations.

In March 2006, the FASB issued SFAS No. 156, "Accounting for Servicing of Financial Assets, an amendment of FASB Statement No. 140, Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities". This statement requires all separately recognized servicing assets and servicing liabilities be initially measured at fair value, if practicable, and permits for subsequent measurement using either fair value measurement with changes in fair value reflected in earnings or the amortization and impairment requirements of Statement No. 140. The subsequent measurement of separately recognized servicing assets and servicing liabilities at fair value eliminates the necessity for entities that manage the risks inherent in servicing assets and servicing liabilities with derivatives to qualify for hedge accounting treatment and eliminates the characterization of declines in fair value as impairments or direct write-downs. SFAS No. 156 is effective for an entity's first fiscal year beginning after September 15, 2006. This adoption of this statement is not expected to have a significant effect on the Company's future reported financial position or results of operations.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### RECENT ACCOUNTING PRONOUNCEMENTS (CONTINUED)

In September 2006, the FASB issued SFAS No. 157, "FAIR VALUE MEASURES" ("SFAS No. 157"). This Statement defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles (GAAP), expands disclosures about fair value measurements, and applies under other accounting pronouncements that require or permit fair value measurements. SFAS No. 157 does not require any new fair value measurements. However, the FASB anticipates that for some entities, the application of SFAS No. 157 will change current practice. SFAS No. 157 is effective for financial statements issued for fiscal years beginning after November 15, 2007, which for the Company would be its fiscal year beginning August 1, 2008. The Company is currently evaluating the impact of SFAS No. 157 but does not expect that it will have a material impact on its financial statements.

In September 2006, the FASB issued SFAS No. 158, "Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans." This Statement requires an employer to recognize the over funded or under funded status of a defined benefit post retirement plan (other than a multiemployer plan) as an asset or liability in its statement of financial position, and to recognize changes in that funded status in the year in which the changes occur through comprehensive income. SFAS No. 158 is effective for fiscal years ending after December 15, 2006. The Company does not expect that the implementation of SFAS No. 158 will have any material impact on its financial position and results of operations.

In September 2006, the SEC issued Staff Accounting Bulletin ("SAB") No. 108, "Considering the Effects of Prior Year Misstatements when Quantifying Misstatements in Current Year Financial Statements." SAB No. 108 addresses how the effects of prior year uncorrected misstatements should be considered when quantifying misstatements in current year financial statements. SAB No. 108 requires companies to quantify misstatements using a balance sheet and income statement approach and to evaluate whether either approach results in quantifying an error that is material in light of relevant quantitative and qualitative factors. SAB No. 108 is effective for periods ending after November 15, 2006. This standard is not expected to have a significant effect on the Company's future reported financial position or result of operations.

## 3. MINERAL INTERESTS

### TELLURIC GOLD CLAIM, BRITISH COLUMBIA, CANADA

By a Bill of Sale dated May 1, 2006, the Company acquired a 100% undivided right, title and interest in and to the Telluric Gold Claim located in the province of British Columbia, Canada from an unrelated party. Consideration for the acquisition was \$20,000. Cumulative property costs of \$39,015 (July 31 2006-\$31,447) were charged to operations.

## 4. CAPITAL STOCK

The total number of common shares authorized that may be issued by the Company is 75,000,000 shares with a par value of one tenth of one cent (\$.001) per share and no other class of shares is authorized.

During the year ended July 31, 2006, the Company issued 6,525,000 shares of common stock for total cash proceeds of \$55,500.

At July 31, 2006, there were no outstanding stock options or warrants.

## 5. INCOME TAXES

As of July 31, 2006, the Company had net operating loss carry forwards of approximately \$32,000 that may be available to reduce future years' taxable income through 2026. Future tax benefits which may arise as a result of these losses have not been recognized in these financial statements, as their realization is determined not likely to occur and accordingly, the Company has recorded a valuation allowance for the deferred tax asset relating to these tax loss carry-forwards.

## INDEMNIFICATION OF DIRECTORS AND OFFICERS

Madrona Ventures Inc.'s By-Laws allow for the indemnification of the officers and directors in regard to their carrying out the duties of their offices. The board of directors will make determination regarding the indemnification of the director, officer or employee as is proper under the circumstances if he/she has met the applicable standard of conduct set forth in the Nevada General Corporation Law.

Section 78.751 of the Nevada Business Corporation Act provides that each corporation shall have the following powers:

"1. A corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, except an action by or in the right of the corporation, by reason of any fact that he is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses, including attorneys fees, judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with the action, suit or proceeding if he acted in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a pleas of nolo contendere or its equivalent, does not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the corporation, and that, with respect to any criminal action or proceeding, he had a reasonable cause to believe that his conduct was unlawful.

2. A corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor by reason of the fact that he is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses, including amounts paid in settlement and attorneys fees actually and reasonably incurred by him in connection with the defense or settlement of the action or suit if he acted in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the corporation. Indemnification may not be made for any claim, issue or matter as to which such a person has been adjudged by a court of competent jurisdiction, after exhaustion of all appeals therefrom, to be liable to the corporation or for amounts paid in settlement to the corporation, unless and only to the extent that the court in which the action or suit was brought or other court of competent jurisdiction, determines upon application that in view of all the circumstances of the case, the person is fairly and reasonably entitled to indemnity for such expenses as the court deems proper.

3. To the extent that a director, officer, employee or agent of a corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in sections 1 and 2, or in defense of any claim, issue or matter therein, he must be indemnified by the corporation against expenses, including attorneys fees, actually and reasonably incurred by him in connection with the defense.

4. Any indemnification under sections 1 and 2, unless ordered by a court or advanced pursuant to section 5, must be made by the corporation only as authorized in the specific case upon a determination that indemnification of the

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director, officer, employee or agent is proper in the circumstances. The determination must be made:

- a. By the stockholders;
- b. By the board of directors by majority vote of a quorum consisting of directors who were not parties to the act, suit or proceeding;
- c. If a majority vote of a quorum consisting of directors who were not



parties to the act, suit or proceeding so orders, by independent legal counsel, in a written opinion; or

- d. If a quorum consisting of directors who were not parties to the act, suit or proceeding cannot be obtained, by independent legal counsel in a written opinion.

5. The certificate of articles of incorporation, the bylaws or an agreement made by the corporation may provide that the expenses of officers and directors incurred in defending a civil or criminal action, suit or proceeding must be paid by the corporation as they are incurred and in advance of the final disposition of the action, suit or proceeding, upon receipt of an undertaking by or on behalf of the director or officer to repay the amount if it is ultimately determined by a court of competent jurisdiction that he is not entitled to be indemnified by the corporation. The provisions of this section do not affect any rights to advancement of expenses to which corporate personnel other than director or officers may be entitled under any contract or otherwise by law.

6. The indemnification and advancement of expenses authorized in or ordered by a court pursuant to this section:

- a. Does not include any other rights to which a person seeking indemnification or advancement of expenses may be entitled under the certificate or articles of incorporation or any bylaw, agreement, vote of stockholders or disinterested directors or otherwise, for either an action in his official capacity or an action in another capacity while holding his office, except that indemnification, unless ordered by a court pursuant to section 2 or for the advancement of expenses made pursuant to section 5, may not be made to or on behalf of any director or officer if a final adjudication establishes that his acts or omission involved intentional misconduct, fraud or a knowing violation of the law and was material to the cause of action.
- b. Continues for a person who has ceased to be a director, officer, employee or agent and inures to the benefit of the heirs, executors and administrators of such a person.
- c. The Articles of Incorporation provides that "the Corporation shall indemnify its officers, directors, employees and agents to the fullest extent permitted by the General Corporation Law of Nevada, as amended from time to time."

As to indemnification for liabilities arising under the Securities Act of 1933 for directors, officers or persons controlling Oliver Creek Resources, we have been informed that in the opinion of the Securities and Exchange Commission such indemnification is against public policy and unenforceable.

#### RECENT SALES OF UNREGISTERED SECURITIES

Set forth below is information regarding the issuance and sales of securities without registration since inception. No such sales involved the use of an underwriter; no advertising or public solicitation was involved; the securities

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bear a restrictive legend; and no commissions were paid in connection with the sale of any securities.

In February 2006, a total of 5,000,000 shares of common stock were issued in exchange for \$5,000 US, or \$.001 per share. These securities were issued to the officers and directors of the company.

Between March, 2006 and May, 2006 we offered and sold 1,525,000 common stock shares to 34 non-affiliated private investors for proceeds of \$50,500. In March 2006 we offered and sold 1,300,000 common stock shares at \$0.01 per share to 16 non-affiliated private investors for proceeds of \$13,000. In April 2006 we offered and sold 75,000 common stock shares at \$0.10 per share to 15 non-affiliated private investors for proceeds of \$7,500. In May 2006 we offered and sold 150,000 common stock shares at \$0.20 per share to 3 non-affiliated private investors for proceeds of \$30,000.

The company relied upon Section 4(2) of the Securities Act of 1933, as amended (the "Act"). Each prospective investor was given a private placement memorandum designed to disclose all material aspects of an investment in the company, including the business, management, offering details, risk factors, financial

statements and use of funds. The investors were either business acquaintances, family members, or friends of, or personally known to, our officer and director. It is the belief of management that each of the individuals who invested have such knowledge and experience in financial and business matters that they are capable of evaluating the merits and risks of the investment and therefore did not need the protections offered by registering their shares under Securities and Exchange Act of 1933, as amended. Each investor completed a subscription confirmation letter and private placement subscription agreement whereby the investors certified that they were purchasing the shares for their own accounts, with investment intent. This offering was not accompanied by general advertisement or general solicitation and the shares were issued with a Rule 144 restrictive legend.

Under the Securities Act of 1933, all sales of an issuers' securities or by a shareholder, must either be made (i) pursuant to an effective registration statement filed with the SEC, or (ii) pursuant to an exemption from the registration requirements under the 1933 Act. Rule 144 under the 1933 Act sets forth conditions which, if satisfied, permit persons holding control securities (affiliated shareholders, i.e., officers, directors or holders of at least ten percent of the outstanding shares) or restricted securities (non-affiliated shareholders) to sell such securities publicly without registration. Rule 144 sets forth a holding period for restricted securities to establish that the holder did not purchase such securities with a view to distribute. Under Rule 144, several provisions must be met with respect to the sales of control securities at any time and sales of restricted securities held between one and two years. The following is a summary of the provisions of Rule 144: (a) Rule 144 is available only if the issuer is current in its filings under the Securities and Exchange Act of 1934. Such filings include, but are not limited to, the issuer's quarterly reports and annual reports; (b) Rule 144 allows resale of restricted and control securities after a one year hold period, subjected to certain volume limitations, and resales by non-affiliates holders without limitations after two years; (c) The sales of securities made under Rule 144 during any three-month period are limited to the greater of: (i) 1% of the outstanding common stock of the issuer; or (ii) the average weekly reported trading volume in the outstanding common stock reported on all securities exchanges during the four calendar weeks preceding the filing of the required notice of the sale under Rule 144 with the SEC.

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#### EXHIBITS

|              |  |
|--------------|--|
| Exhibit 3.1  | Articles of Incorporation                    |
| Exhibit 3.2  | Bylaws                                       |
| Exhibit 5.1  | Opinion re: Legality                         |
| Exhibit 23.1 | Consent of counsel (Included in Exhibit 5.1) |
| Exhibit 23.2 | Consent of independent auditor               |
| Exhibit 23.3 | Consent of professional geologist            |
| Exhibit 99.1 | Professional Geologist's Report              |

#### UNDERTAKINGS

The undersigned registrant hereby undertakes:

1. To file, during any period in which offers of sales are being made, a post-effective amendment to this registration statement to:

(i) Include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

(ii) Reflect in the prospectus any facts or events which, individually or together, represent a fundamental change in the information in this registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low and high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20 percent change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement ; and

(iii) Include any additional or changed material information on the plan of distribution.

2. That, for the purpose of determining any liability under the Securities Act,

treat each post-effective amendment as a new registration statement of the securities offered herein, and that the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

3. To remove from registration by means of a post-effective amendment any of the securities being registered hereby which remain unsold at the termination of the offering.

4. Insofar as indemnification for liabilities arising under the Securities Act of 1933 (the "Act") may be permitted to directors, officers and controlling persons of the small business issuer pursuant to the By-Laws of the company, or otherwise, we have been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act, and is, therefore unenforceable.

In the event that a claim for indemnification against such liabilities (other than the payment of expenses incurred or paid by a director, officer or controlling person in the successful defense of any action, suit or proceeding) is asserted by such director, officer, or other control person in connection with the securities being registered, we will, unless in the opinion of our legal counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

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5. For determining any liability under the Securities Act, we shall treat the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by us under Rule 424(b)(1), or (4), or 497(h) under the Securities Act as part of this registration statement as of the time the Commission declared it effective.

6. For determining any liability under the Securities Act, we shall treat each post-effective amendment that contains a form of prospectus as a new registration statement for the securities offered in the registration statement, and that the offering of the securities at that time as the initial bona fide offering of those securities.

7. For determining liability of the undersigned small business issuer under the Securities Act to any purchaser in the initial distribution of the securities, the undersigned small business issuer undertakes that in a primary offering of securities of the undersigned small business issuer pursuant to this registration statement, regardless of the underwriting methods used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of the following communications, the undersigned small business issuer will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

(i) Any preliminary prospectus or prospectus of the undersigned small business issuer relating to the offering required to be filed pursuant to Rule 424;

(ii) Any free writing prospectus relating to the offering prepared by or on behalf of the undersigned small business issuer or used or referred to by the undersigned small business issuer;

(iii) The portion of any other free writing prospectus relating to the offering containing material information about the undersigned small business issuer or its securities provided by or on behalf of the undersigned small business issuer; and

(iv) Any other communication that is an offer in the offering made by the undersigned small business issuer to the purchaser.

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#### SIGNATURES

In accordance with the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe it meets all of the requirements for filing Form SB-2 and authorized this registration statement to be signed on its behalf by the undersigned, in the city of Red Deer, Alberta, Canada, on January 5, 2007.

Madrona Ventures Inc.

/s/ Reese Baglole  
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By: Reese Baglole  
(Principal Executive Officer)

In accordance with the requirements of the Securities Act of 1933, this registration statement was signed by the following person in the capacities and date stated.

/s/ Reese Baglole  
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Reese Baglole, President  
(Principal Executive Officer, Principal Financial Officer,  
Principal Accounting Officer)

January 5, 2007  
-----

Date

DEAN HELLER  
Secretary of State  
206 North Carson Street  
Carson City, Nevada 89701-4298  
(775) 684-5708 Website: secretaryofstate.biz

Entity #  
E0390262005-0  
Document Number  
20050240957-64

Date Filed:  
6/21/2005 8:00:40 AM  
In the office of  
/s/ Dean Heller  
Dean Heller  
Secretary of State

ARTICLES OF INCORPORATION  
(PURSUANT TO NRS 78)

- 1. Name of Corporation: MADRONA VENTURES, INC.
- 2. Resident Agent Name & Street Address: Empire Stock Transfer Inc.  
7251 West Lake Mead Boulevard Suite 300  
Las Vegas, NEVADA 89128
- 3. Shares: Number of Shares with par value:75,000,000  
Par value: .001
- 4. Name & Address of Board Of Directors/Trustees: Darcy Krell  
#3A 199 Drake Street  
Vancouver, BC V6Z2T9
- 5. Purpose: The purpose of this Corporation shall be:  
All legal purposes
- 6. Name, Address & Signature Of Incorporator: Leah Finke /s/ Leah Finke  
7251 West Lake Mead Boulevard Suite 300  
Las Vegas, NEVADA 89128

Certificate of Acceptance  
Of Appointment of Resident  
Agent:

I hereby accept appointment as Resident  
Agent for the above named corporation.

/s/ Leah Finke 6/20/05  
Authorized Signature of R.A. Date

ARTICLES OF INCORPORATION  
OF  
MADRONA VENTURES, INC.

- FIRST. The name of the corporation is Madrona Ventures, Inc.
- SECOND. The registered office of the corporation in the State of Nevada is located at 7251 West Lake Mead Blvd. Suite 300, Las Vegas NV 89128. The corporation may maintain an office, or offices, in such other place or places within or without the State of Nevada as may be from time to time designated by the Board of Directors, or by the bylaws of said corporation. The corporation may conduct all corporation business of every kind and nature outside the State of Nevada as well as within the State of Nevada.
- THIRD. The objects for which this corporation is formed are to engage in any lawful activity.
- FOURTH. That the total number of common stock authorized that may be issued by the corporation is SEVENTY FIVE MILLION (75,000,000) shares of stock with a par value of one tenth of one cents (\$0.001) per share and no other class of stock shall be authorized. The corporation may issue said shares for such consideration as the Board of Directors may fix.

FIFTH. The governing board of this corporation shall be known as directors, and the number of directors may from time to time be increased or decreased in such manner as shall be provided by the bylaws of this corporation, providing that the number of directors shall not be reduced to less than one (1). The first Board of Directors shall be one (1) in number and the name and post office address of this Director is:

Darcy Krell  
#3A 199 Drake Street  
Vancouver, BC V6Z 2T9

SIXTH. The capital stock, after the amount of the subscription price, or par value, has been paid in, shall not be subject to assessment to pay the debts of the corporation.

SEVENTH. The name and post office address of the Incorporator signing the Articles of Incorporation is as follows:

Leah Finke  
7251 West Lake Mead Boulevard Suite 300  
Las Vegas, NEVADA 89128

EIGHTH. The Resident Agent for this corporation shall be Empire Stock Transfer Inc. The address of the Resident Agent and the registered statutory address of this corporation in the State of Nevada shall be: 7251 West Lake Mead Boulevard, Suite 300, Las Vegas, NV 89128

NINTH. The corporation is to have perpetual existence.

TENTH. The Board of Directors shall adopt the initial Bylaws of the corporation. The Board of Directors shall also have the power to alter, amend or repeal the Bylaws, or to adopt new Bylaws, except as otherwise may be specifically provided in the Bylaws.

ELEVENTH. The Board of Directors shall have the authority to open bank accounts and adopt banking resolutions on behalf of the corporation.

TWELVTH. No director or officer of the corporation shall be personally liable to the corporation or any of its stockholders for damages for breach of fiduciary duty as a director or officer or for any act or omission of any such director or officer, however, the foregoing provision shall not eliminate or limit the liability of a director or officer for (a) acts or emissions which involve

intentional misconduct, fraud or a knowing violation of law or (b) the payment of dividends in violation of Section 78.300 of the Nevada Revised Statutes. Any repeal or modification of this Article by the stockholders of the corporation shall be prospective only and shall not adversely affect any limitation on the personal liability of a director or officer of the corporation for acts or emissions prior to such repeal or modification.

THIRTEENTH. This corporation reserves the right to amend, alter, change or repeal any provision contained in the Articles of Incorporation, in the manner now or hereafter prescribed by statute, or by the Articles of Incorporation, and all rights conferred upon stockholders herein are granted subject to this reservation.

I, THE UNDERSIGNED, being the Incorporator hereinbefore named for the purpose of forming a corporation pursuant to the General Corporation Laws of the State of Nevada, do make and file these Articles of Incorporation, hereby declaring and certifying that the facts herein stated are true, and accordingly have hereunto set my hand this Tuesday, June 20, 2005.

/s/ Leah Finke

-----  
Leah Finke  
Incorporator

BYLAWS  
OF  
MADRONA VENTURES, INC.

ARTICLE I  
OFFICES

Section 1.01 Location of Offices. The corporation may maintain such offices within or without the State of Nevada as the Board of Directors may from time to time designate or require.

Section 1.02 Principal Office. The address of the principal office of the corporation shall be at the address of the registered office of the corporation as so designated in the office of the Lieutenant Governor/Secretary of State of the state of incorporation, or at such other address as the Board of Directors shall from time to time determine.

ARTICLE II  
SHAREHOLDERS

Section 2.01 Annual Meeting. The annual meeting of the shareholders shall be held in November of each year or at such other time designated by the Board of Directors and as is provided for in the notice of the meeting, for the purpose of electing directors and for the transaction of such other business as may come before the meeting. If the election of directors shall not be held on the day designated for the annual meeting of the shareholders, or at any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the shareholders as soon thereafter as may be convenient.

Section 2.02 Special Meetings. Special meetings of the shareholders may be called at any time by the chairman of the board, the president, or by the Board of Directors, or in their absence or disability, by any vice president, and shall be called by the president or, in his or her absence or disability, by a vice president or by the secretary on the written request of the holders of not less than one-tenth of all the shares entitled to vote at the meeting, such written request to state the purpose or purposes of the meeting and to be delivered to the president, each vice-president, or secretary. In case of failure to call such meeting within 60 days after such request, such shareholder or shareholders may call the same.

Section 2.03 Place of Meetings. The Board of Directors may designate any place, either within or without the state of incorporation, as the place of meeting for any annual meeting or for any special meeting called by the Board of Directors. A waiver of notice signed by all shareholders entitled to vote at a meeting may designate any place, either within or without the state of incorporation, as the place for the holding of such meeting. If no designation is made, or if a special meeting be otherwise called, the place of meeting shall be at the principal office of the corporation.

Section 2.04 Notice of Meetings. The secretary or assistant secretary, if any, shall cause notice of the time, place, and purpose or purposes of all meetings of the shareholders (whether annual or special), to be mailed at least 10 days, but not more than 50 days, prior to the meeting, to each shareholder of record entitled to vote.

Section 2.05 Waiver of Notice. Any shareholder may waive notice of any meeting of shareholders (however called or noticed, whether or not called or noticed and whether before, during, or after the meeting), by signing a written waiver of notice or a consent to the holding of such meeting, or an approval of the minutes thereof. Attendance at a meeting, in person or by proxy, shall constitute waiver of all defects of call or notice regardless of whether waiver, consent, or approval is signed or any objections are made. All such waivers, consents, or approvals shall be made a part of the minutes of the meeting.

Section 2.06 Fixing Record Date. For the purpose of determining shareholders entitled to notice of or to vote at any annual meeting of shareholders or any adjournment thereof, or shareholders entitled to receive payment of any dividend or in order to make a determination of shareholders for any other proper purpose, the Board of Directors of the corporation may provide that the share transfer books shall be closed, for the purpose of determining shareholders entitled to notice of or to vote at such meeting, but not for a period exceeding 50 days. If the share transfer books are closed for the purpose of determining

shareholders entitled to notice of or to vote at such meeting, such books shall be closed for at least 10 days immediately preceding such meeting.

In lieu of closing the share transfer books, the Board of Directors may fix in advance a date as the record date for any such determination of shareholders, such date in any case to be not more than 50 and, in case of a meeting of shareholders, not less than 10 days prior to the date on which the particular action requiring such determination of shareholders is to be taken. If the share transfer books are not closed and no record date is fixed for the determination of shareholders entitled to notice of or to vote at a meeting or to receive payment of a dividend, the date on which notice of the meeting is mailed or the date on which the resolution of the Board of Directors declaring such dividend is adopted, as the case may be, shall be the record date for such determination of shareholders. When a determination of shareholders entitled to vote at any meeting of shareholders has been made as provided in this Section, such determination shall apply to any adjournment thereof. Failure to comply with this Section shall not affect the validity of any action taken at a meeting of shareholders.

Section 2.07 Voting Lists. The officer or agent of the corporation having charge of the share transfer books for shares of the corporation shall make, at least 10 days before each meeting of shareholders, a complete list of the shareholders entitled to vote at such meeting or any adjournment thereof, arranged in alphabetical order, with the address of, and the number of shares held by each, which list, for a period of 10 days prior to such meeting, shall be kept on file at the registered office of the corporation and shall be subject to inspection by any shareholder during the whole time of the meeting. The original share transfer book shall be prima facie evidence as to the shareholders who are entitled to examine such list or transfer books, or to vote at any meeting of shareholders.

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Section 2.08 Quorum. One-half of the total voting power of the outstanding shares of the corporation entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of the shareholders. If a quorum is present, the affirmative vote of the majority of the voting power represented by shares at the meeting and entitled to vote on the subject shall constitute action by the shareholders, unless the vote of a greater number or voting by classes is required by the laws of the state of incorporation of the corporation or the Articles of Incorporation. If less than one-half of the outstanding voting power is represented at a meeting, a majority of the voting power represented by shares so present may adjourn the meeting from time to time without further notice. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally noticed.

Section 2.09 Voting of Shares. Each outstanding share of the corporation entitled to vote shall be entitled to one vote on each matter submitted to vote at a meeting of shareholders, except to the extent that the voting rights of the shares of any class or series of stock are determined and specified as greater or lesser than one vote per share in the manner provided by the Articles of Incorporation.

Section 2.10 Proxies. At each meeting of the shareholders, each shareholder entitled to vote shall be entitled to vote in person or by proxy; provided, however, that the right to vote by proxy shall exist only in case the instrument authorizing such proxy to act shall have been executed in writing by the registered holder or holders of such shares, as the case may be, as shown on the share transfer of the corporation or by his or her or her attorney thereunto duly authorized in writing. Such instrument authorizing a proxy to act shall be delivered at the beginning of such meeting to the secretary of the corporation or to such other officer or person who may, in the absence of the secretary, be acting as secretary of the meeting. In the event that any such instrument shall designate two or more persons to act as proxies, a majority of such persons present at the meeting, or if only one be present, that one shall (unless the instrument shall otherwise provide) have all of the powers conferred by the instrument on all persons so designated. Persons holding stock in a fiduciary capacity shall be entitled to vote the shares so held and the persons whose shares are pledged shall be entitled to vote, unless in the transfer by the pledgee or on the books of the corporation he or she shall have expressly empowered the pledgee to vote thereon, in which case the pledgee, or his or her or her proxy, may represent such shares and vote thereon.

Section 2.11 Written Consent to Action by Shareholders. Any action required to



be taken at a meeting of the shareholders, or any other action which may be taken at a meeting of the shareholders, may be taken without a meeting, if a consent in writing, setting forth the action so taken, shall be signed by a majority of the shareholders entitled to vote with respect to the subject matter thereof.

ARTICLE III  
DIRECTORS

Section 3.01 General Powers. The property, affairs, and business of the corporation shall be managed by its Board of Directors. The Board of Directors

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may exercise all the powers of the corporation whether derived from law or the Articles of Incorporation, except such powers as are by statute, by the Articles of Incorporation or by these Bylaws, vested solely in the shareholders of the corporation.

Section 3.02 Number, Term, and Qualifications. The Board of Directors shall consist of one to nine persons. Increases or decreases to said number may be made, within the numbers authorized by the Articles of Incorporation, as the Board of Directors shall from time to time determine by amendment to these Bylaws. An increase or a decrease in the number of the members of the Board of Directors may also be had upon amendment to these Bylaws by a majority vote of all of the shareholders, and the number of directors to be so increased or decreased shall be fixed upon a majority vote of all of the shareholders of the corporation. Each director shall hold office until the next annual meeting of shareholders of the corporation and until his or her successor shall have been elected and shall have qualified. Directors need not be residents of the state of incorporation or shareholders of the corporation.

Section 3.03 Classification of Directors. In lieu of electing the entire number of directors annually, the Board of Directors may provide that the directors be divided into either two or three classes, each class to be as nearly equal in number as possible, the term of office of the directors of the first class to expire at the first annual meeting of shareholders after their election, that of the second class to expire at the second annual meeting after their election, and that of the third class, if any, to expire at the third annual meeting after their election. At each annual meeting after such classification, the number of directors equal to the number of the class whose term expires at the time of such meeting shall be elected to hold office until the second succeeding annual meeting, if there be two classes, or until the third succeeding annual meeting, if there be three classes.

Section 3.04 Regular Meetings. A regular meeting of the Board of Directors shall be held without other notice than this bylaw immediately following, and at the same place as, the annual meeting of shareholders. The Board of Directors may provide by resolution the time and place, either within or without the state of incorporation, for the holding of additional regular meetings without other notice than such resolution.

Section 3.05 Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the president, vice president, or any two directors. The person or persons authorized to call special meetings of the Board of Directors may fix any place, either within or without the state of incorporation, as the place for holding any special meeting of the Board of Directors called by them.

Section 3.06 Meetings by Telephone Conference Call. Members of the Board of Directors may participate in a meeting of the Board of Directors or a committee of the Board of Directors by means of conference telephone or similar communication equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting pursuant to this Section shall constitute presence in person at such meeting.

Section 3.07 Notice. Notice of any special meeting shall be given at least 10 days prior thereto by written notice delivered personally or mailed to each director at his or her regular business address or residence, or by telegram. If

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mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage thereon prepaid. If notice be given by telegram, such notice shall be deemed to be delivered when the telegram is

delivered to the telegraph company. Any director may waive notice of any meeting. Attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting solely for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Section 3.08 Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, but if less than a majority is present at a meeting, a majority of the directors present may adjourn the meeting from time to time without further notice.

Section 3.09 Manner of Acting. The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, and the individual directors shall have no power as such.

Section 3.10 Vacancies and Newly Created Directorship. If any vacancies shall occur in the Board of Directors by reason of death, resignation or otherwise, or if the number of directors shall be increased, the directors then in office shall continue to act and such vacancies or newly created directorships shall be filled by a vote of the directors then in office, though less than a quorum, in any way approved by the meeting. Any directorship to be filled by reason of removal of one or more directors by the shareholders may be filled by election by the shareholders at the meeting at which the director or directors are removed.

Section 3.11 Compensation. By resolution of the Board of Directors, the directors may be paid their expenses, if any, of attendance at each meeting of the Board of Directors, and may be paid a fixed sum for attendance at each meeting of the Board of Directors or a stated salary as director. No such payment shall preclude any director from serving the corporation in any other capacity and receiving compensation therefore.

Section 3.12 Presumption of Assent. A director of the corporation who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his or her or her dissent shall be entered in the minutes of the meeting, unless he or she shall file his or her or her written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof, or shall forward such dissent by registered or certified mail to the secretary of the corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.

Section 3.13 Resignations. A director may resign at any time by delivering a written resignation to either the president, a vice president, the secretary, or assistant secretary, if any. The resignation shall become effective on its acceptance by the Board of Directors; provided, that if the board has not acted thereon within ten days from the date presented, the resignation shall be deemed accepted.

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Section 3.14 Written Consent to Action by Directors. Any action required to be taken at a meeting of the directors of the corporation or any other action which may be taken at a meeting of the directors or of a committee, may be taken without a meeting, if a consent in writing, setting forth the action so taken, shall be signed by all of the directors, or all of the members of the committee, as the case may be. Such consent shall have the same legal effect as a unanimous vote of all the directors or members of the committee.

Section 3.15 Removal. At a meeting expressly called for that purpose, one or more directors may be removed by a vote of a majority of the shares of outstanding stock of the corporation entitled to vote at an election of directors.

#### ARTICLE IV OFFICERS

Section 4.01 Number. The officers of the corporation shall be a president, one or more vice-presidents, as shall be determined by resolution of the Board of Directors, a secretary, a treasurer, and such other officers as may be appointed by the Board of Directors. The Board of Directors may elect, but shall not be required to elect, a chairman of the board and the Board of Directors may appoint a general manager.

Section 4.02 Election, Term of Office, and Qualifications. The officers shall be

chosen by the Board of Directors annually at its annual meeting. In the event of failure to choose officers at an annual meeting of the Board of Directors, officers may be chosen at any regular or special meeting of the Board of Directors. Each such officer (whether chosen at an annual meeting of the Board of Directors to fill a vacancy or otherwise) shall hold his or her office until the next ensuing annual meeting of the Board of Directors and until his or her successor shall have been chosen and qualified, or until his or her death, or until his or her resignation or removal in the manner provided in these Bylaws. Any one person may hold any two or more of such offices, except that the president shall not also be the secretary. No person holding two or more offices shall act in or execute any instrument in the capacity of more than one office. The chairman of the board, if any, shall be and remain a director of the corporation during the term of his or her office. No other officer need be a director.

Section 4.03 Subordinate Officers, Etc. The Board of Directors from time to time may appoint such other officers or agents as it may deem advisable, each of whom shall have such title, hold office for such period, have such authority, and perform such duties as the Board of Directors from time to time may determine. The Board of Directors from time to time may delegate to any officer or agent the power to appoint any such subordinate officer or agents and to prescribe their respective titles, terms of office, authorities, and duties. Subordinate officers need not be shareholders or directors.

Section 4.04 Resignations. Any officer may resign at any time by delivering a written resignation to the Board of Directors, the president, or the secretary. Unless otherwise specified therein, such resignation shall take effect on delivery.

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Section 4.05 Removal. Any officer may be removed from office at any special meeting of the Board of Directors called for that purpose or at a regular meeting, by vote of a majority of the directors, with or without cause. Any officer or agent appointed in accordance with the provisions of Section 4.03 hereof may also be removed, either with or without cause, by any officer on whom such power of removal shall have been conferred by the Board of Directors.

Section 4.06 Vacancies and Newly Created Offices. If any vacancy shall occur in any office by reason of death, resignation, removal, disqualification, or any other cause, or if a new office shall be created, then such vacancies or new created offices may be filled by the Board of Directors at any regular or special meeting.

Section 4.07 The Chairman of the Board. The Chairman of the Board, if there be such an officer, shall have the following powers and duties.

- (a) He or she shall preside at all shareholders' meetings;
- (b) He or she shall preside at all meetings of the Board of Directors; and
- (c) He or she shall be a member of the executive committee, if any.

Section 4.08 The President. The president shall have the following powers and duties:

(a) If no general manager has been appointed, he or she shall be the chief executive officer of the corporation, and, subject to the direction of the Board of Directors, shall have general charge of the business, affairs, and property of the corporation and general supervision over its officers, employees, and agents;

(b) If no chairman of the board has been chosen, or if such officer is absent or disabled, he or she shall preside at meetings of the shareholders and Board of Directors;

(c) He or she shall be a member of the executive committee, if any;

(d) He or she shall be empowered to sign certificates representing shares of the corporation, the issuance of which shall have been authorized by the Board of Directors; and

(e) He or she shall have all power and shall perform all duties normally incident to the office of a president of a corporation, and shall exercise such other powers and perform such other duties as from time to time may be assigned

to him or her by the Board of Directors.

Section 4.09 The Vice Presidents. The Board of Directors may, from time to time, designate and elect one or more vice presidents, one of whom may be designated to serve as executive vice president. Each vice president shall have such powers and perform such duties as from time to time may be assigned to him or her by the Board of Directors or the president. At the request or in the absence or disability of the president, the executive vice president or, in the absence or disability of the executive vice president, the vice president designated by the Board of Directors or (in the absence of such designation by the Board of Directors) by the president, the senior vice president, may perform all the

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duties of the president, and when so acting, shall have all the powers of, and be subject to all the restrictions upon, the president.

Section 4.10 The Secretary. The secretary shall have the following powers and duties:

(a) He or she shall keep or cause to be kept a record of all of the proceedings of the meetings of the shareholders and of the board or directors in books provided for that purpose;

(b) He or she shall cause all notices to be duly given in accordance with the provisions of these Bylaws and as required by statute;

(c) He or she shall be the custodian of the records and of the seal of the corporation, and shall cause such seal (or a facsimile thereof) to be affixed to all certificates representing shares of the corporation prior to the issuance thereof and to all instruments, the execution of which on behalf of the corporation under its seal shall have been duly authorized in accordance with these Bylaws, and when so affixed, he or she may attest the same;

(d) He or she shall assume that the books, reports, statements, certificates, and other documents and records required by statute are properly kept and filed;

(e) He or she shall have charge of the share books of the corporation and cause the share transfer books to be kept in such manner as to show at any time the amount of the shares of the corporation of each class issued and outstanding, the manner in which and the time when such stock was paid for, the names alphabetically arranged and the addresses of the holders of record thereof, the number of shares held by each holder and time when each became such holder or record; and he or she shall exhibit at all reasonable times to any director, upon application, the original or duplicate share register. He or she shall cause the share book referred to in Section 6.04 hereof to be kept and exhibited at the principal office of the corporation, or at such other place as the Board of Directors shall determine, in the manner and for the purposes provided in such Section;

(f) He or she shall be empowered to sign certificates representing shares of the corporation, the issuance of which shall have been authorized by the Board of Directors; and

(g) He or she shall perform in general all duties incident to the office of secretary and such other duties as are given to him or her by these Bylaws or as from time to time may be assigned to him or her by the Board of Directors or the president.

Section 4.11 The Treasurer. The treasurer shall have the following powers and duties:

(a) He or she shall have charge and supervision over and be responsible for the monies, securities, receipts, and disbursements of the corporation;

(b) He or she shall cause the monies and other valuable effects of the corporation to be deposited in the name and to the credit of the corporation in such banks or trust companies or with such banks or other depositories as shall be selected in accordance with Section 5.03 hereof;

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(c) He or she shall cause the monies of the corporation to be disbursed by checks or drafts (signed as provided in Section 5.04 hereof) drawn on the

authorized depositories of the corporation, and cause to be taken and preserved property vouchers for all monies disbursed;

(d) He or she shall render to the Board of Directors or the president, whenever requested, a statement of the financial condition of the corporation and of all of this transactions as treasurer, and render a full financial report at the annual meeting of the shareholders, if called upon to do so;

(e) He or she shall cause to be kept correct books of account of all the business and transactions of the corporation and exhibit such books to any director on request during business hours;

(f) He or she shall be empowered from time to time to require from all officers or agents of the corporation reports or statements given such information as he or she may desire with respect to any and all financial transactions of the corporation; and

(g) He or she shall perform in general all duties incident to the office of treasurer and such other duties as are given to him or her by these Bylaws or as from time to time may be assigned to him or her by the Board of Directors or the president.

Section 4.12 General Manager. The Board of Directors may employ and appoint a general manager who may, or may not, be one of the officers or directors of the corporation. The general manager, if any shall have the following powers and duties:

(a) He or she shall be the chief executive officer of the corporation and, subject to the directions of the Board of Directors, shall have general charge of the business affairs and property of the corporation and general supervision over its officers, employees, and agents:

(b) He or she shall be charged with the exclusive management of the business of the corporation and of all of its dealings, but at all times subject to the control of the Board of Directors;

(c) Subject to the approval of the Board of Directors or the executive committee, if any, he or she shall employ all employees of the corporation, or delegate such employment to subordinate officers, and shall have authority to discharge any person so employed; and

(d) He or she shall make a report to the president and directors as often as required, setting forth the results of the operations under his or her charge, together with suggestions looking toward improvement and betterment of the condition of the corporation, and shall perform such other duties as the Board of Directors may require.

Section 4.13 Salaries. The salaries and other compensation of the officers of the corporation shall be fixed from time to time by the Board of Directors, except that the Board of Directors may delegate to any person or group of persons the power to fix the salaries or other compensation of any subordinate officers or agents appointed in accordance with the provisions of Section 4.03

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hereof. No officer shall be prevented from receiving any such salary or compensation by reason of the fact that he or she is also a director of the corporation.

Section 4.14 Surety Bonds. In case the Board of Directors shall so require, any officer or agent of the corporation shall execute to the corporation a bond in such sums and with such surety or sureties as the Board of Directors may direct, conditioned upon the faithful performance of his or her duties to the corporation, including responsibility for negligence and for the accounting of all property, monies, or securities of the corporation which may come into his or her hands.

ARTICLE V  
EXECUTION OF INSTRUMENTS, BORROWING OF MONEY,  
AND DEPOSIT OF CORPORATE FUNDS

Section 5.01 Execution of Instruments. Subject to any limitation contained in the Articles of Incorporation or these Bylaws, the president or any vice president or the general manager, if any, may, in the name and on behalf of the corporation, execute and deliver any contract or other instrument authorized in

writing by the Board of Directors. The Board of Directors may, subject to any limitation contained in the Articles of Incorporation or in these Bylaws, authorize in writing any officer or agent to execute and deliver any contract or other instrument in the name and on behalf of the corporation; any such authorization may be general or confined to specific instances.

Section 5.02 Loans. No loans or advances shall be contracted on behalf of the corporation, no negotiable paper or other evidence of its obligation under any loan or advance shall be issued in its name, and no property of the corporation shall be mortgaged, pledged, hypothecated, transferred, or conveyed as security for the payment of any loan, advance, indebtedness, or liability of the corporation, unless and except as authorized by the Board of Directors. Any such authorization may be general or confined to specific instances.

Section 5.03 Deposits. All monies of the corporation not otherwise employed shall be deposited from time to time to its credit in such banks and or trust companies or with such bankers or other depositories as the Board of Directors may select, or as from time to time may be selected by any officer or agent authorized to do so by the Board of Directors.

Section 5.04 Checks, Drafts, Etc. All notes, drafts, acceptances, checks, endorsements, and, subject to the provisions of these Bylaws, evidences of indebtedness of the corporation, shall be signed by such officer or officers or such agent or agents of the corporation and in such manner as the Board of Directors from time to time may determine. Endorsements for deposit to the credit of the corporation in any of its duly authorized depositories shall be in such manner as the Board of Directors from time to time may determine.

Section 5.05 Bonds and Debentures. Every bond or debenture issued by the corporation shall be evidenced by an appropriate instrument which shall be signed by the president or a vice president and by the secretary and sealed with the seal of the corporation. The seal may be a facsimile, engraved or printed. Where such bond or debenture is authenticated with the manual signature of an authorized officer of the corporation or other trustee designated by the

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indenture of trust or other agreement under which such security is issued, the signature of any of the corporation's officers named thereon may be a facsimile. In case any officer who signed, or whose facsimile signature has been used on any such bond or debenture, should cease to be an officer of the corporation for any reason before the same has been delivered by the corporation, such bond or debenture may nevertheless be adopted by the corporation and issued and delivered as through the person who signed it or whose facsimile signature has been used thereon had not ceased to be such officer.

Section 5.06 Sale, Transfer, Etc. of Securities. Sales, transfers, endorsements, and assignments of stocks, bonds, and other securities owned by or standing in the name of the corporation, and the execution and delivery on behalf of the corporation of any and all instruments in writing incident to any such sale, transfer, endorsement, or assignment, shall be effected by the president, or by any vice president, together with the secretary, or by any officer or agent thereunto authorized by the Board of Directors.

Section 5.07 Proxies. Proxies to vote with respect to shares of other corporations owned by or standing in the name of the corporation shall be executed and delivered on behalf of the corporation by the president or any vice president and the secretary or assistant secretary of the corporation, or by any officer or agent thereunder authorized by the Board of Directors.

## ARTICLE VI CAPITAL SHARES

Section 6.01 Share Certificates. Every holder of shares in the corporation shall be entitled to have a certificate, signed by the president or any vice president and the secretary or assistant secretary, and sealed with the seal (which may be a facsimile, engraved or printed) of the corporation, certifying the number and kind, class or series of shares owned by him or her in the corporation; provided, however, that where such a certificate is countersigned by (a) a transfer agent or an assistant transfer agent, or (b) registered by a registrar, the signature of any such president, vice president, secretary, or assistant secretary may be a facsimile. In case any officer who shall have signed, or whose facsimile signature or signatures shall have been used on any such certificate, shall cease to be such officer of the corporation, for any reason, before the delivery of such certificate by the corporation, such certificate may

nevertheless be adopted by the corporation and be issued and delivered as though the person who signed it, or whose facsimile signature or signatures shall have been used thereon, has not ceased to be such officer. Certificates representing shares of the corporation shall be in such form as provided by the statutes of the state of incorporation. There shall be entered on the share books of the corporation at the time of issuance of each share, the number of the certificate issued, the name and address of the person owning the shares represented thereby, the number and kind, class or series of such shares, and the date of issuance thereof. Every certificate exchanged or returned to the corporation shall be marked "Canceled" with the date of cancellation.

Section 6.02 Transfer of Shares. Transfers of shares of the corporation shall be made on the books of the corporation by the holder of record thereof, or by his or her attorney thereunto duly authorized by a power of attorney duly executed in writing and filed with the secretary of the corporation or any of its transfer agents, and on surrender of the certificate or certificates, properly

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endorsed or accompanied by proper instruments of transfer, representing such shares. Except as provided by law, the corporation and transfer agents and registrars, if any, shall be entitled to treat the holder of record of any stock as the absolute owner thereof for all purposes, and accordingly, shall not be bound to recognize any legal, equitable, or other claim to or interest in such shares on the part of any other person whether or not it or they shall have express or other notice thereof.

Section 6.03 Regulations. Subject to the provisions of this Article VI and of the Articles of Incorporation, the Board of Directors may make such rules and regulations as they may deem expedient concerning the issuance, transfer, redemption, and registration of certificates for shares of the corporation.

Section 6.04 Maintenance of Stock Ledger at Principal Place of Business. A share book (or books where more than one kind, class, or series of stock is outstanding) shall be kept at the principal place of business of the corporation, or at such other place as the Board of Directors shall determine, containing the names, alphabetically arranged, of original shareholders of the corporation, their addresses, their interest, the amount paid on their shares, and all transfers thereof and the number and class of shares held by each. Such share books shall at all reasonable hours be subject to inspection by persons entitled by law to inspect the same.

Section 6.05 Transfer Agents and Registrars. The Board of Directors may appoint one or more transfer agents and one or more registrars with respect to the certificates representing shares of the corporation, and may require all such certificates to bear the signature of either or both. The Board of Directors may from time to time define the respective duties of such transfer agents and registrars. No certificate for shares shall be valid until countersigned by a transfer agent, if at the date appearing thereon the corporation had a transfer agent for such shares, and until registered by a registrar, if at such date the corporation had a registrar for such shares.

Section 6.06 Closing of Transfer Books and Fixing of Record Date.

(a) The Board of Directors shall have power to close the share books of the corporation for a period of not to exceed 50 days preceding the date of any meeting of shareholders, or the date for payment of any dividend, or the date for the allotment of rights, or capital shares shall go into effect, or a date in connection with obtaining the consent of shareholders for any purpose.

(b) In lieu of closing the share transfer books as aforesaid, the Board of Directors may fix in advance a date, not exceeding 50 days preceding the date of any meeting of shareholders, or the date for the payment of any dividend, or the date for the allotment of rights, or the date when any change or conversion or exchange of capital shares shall go into effect, or a date in connection with obtaining any such consent, as a record date for the determination of the shareholders entitled to a notice of, and to vote at, any such meeting and any adjournment thereof, or entitled to receive payment of any such dividend, or to any such allotment of rights, or to exercise the rights in respect of any such change, conversion or exchange of capital stock, or to give such consent.

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(c) If the share transfer books shall be closed or a record date set for the purpose of determining shareholders entitled to notice of or to vote at a

meeting of shareholders, such books shall be closed for, or such record date shall be, at least 10 days immediately preceding such meeting.

Section 6.07 Lost or Destroyed Certificates. The corporation may issue a new certificate for shares of the corporation in place of any certificate theretofore issued by it, alleged to have been lost or destroyed, and the Board of Directors may, in its discretion, require the owner of the lost or destroyed certificate or his or her legal representatives, to give the corporation a bond in such form and amount as the Board of Directors may direct, and with such surety or sureties as may be satisfactory to the board, to indemnify the corporation and its transfer agents and registrars, if any, against any claims that may be made against it or any such transfer agent or registrar on account of the issuance of such new certificate. A new certificate may be issued without requiring any bond when, in the judgment of the Board of Directors, it is proper to do so.

Section 6.08 No Limitation on Voting Rights; Limitation on Dissenter's Rights. To the extent permissible under the applicable law of any jurisdiction to which the corporation may become subject by reason of the conduct of business, the ownership of assets, the residence of shareholders, the location of offices or facilities, or any other item, the corporation elects not to be governed by the provisions of any statute that (i) limits, restricts, modified, suspends, terminates, or otherwise affects the rights of any shareholder to cast one vote for each share of common stock registered in the name of such shareholder on the books of the corporation, without regard to whether such shares were acquired directly from the corporation or from any other person and without regard to whether such shareholder has the power to exercise or direct the exercise of voting power over any specific fraction of the shares of common stock of the corporation issued and outstanding or (ii) grants to any shareholder the right to have his or her stock redeemed or purchased by the corporation or any other shareholder on the acquisition by any person or group of persons of shares of the corporation. In particular, to the extent permitted under the laws of the state of incorporation, the corporation elects not to be governed by any such provision, including the provisions of the Nevada Control Share Acquisitions Act, Sections 78.378 to 78.3793, inclusive, of the Nevada Revised Statutes, or any statute of similar effect or tenor.

#### ARTICLE VII EXECUTIVE COMMITTEE AND OTHER COMMITTEES

Section 7.01 How Constituted. The Board of Directors may designate an executive committee and such other committees as the Board of Directors may deem appropriate, each of which committees shall consist of two or more directors. Members of the executive committee and of any such other committees shall be designated annually at the annual meeting of the Board of Directors; provided, however, that at any time the Board of Directors may abolish or reconstitute the executive committee or any other committee. Each member of the executive committee and of any other committee shall hold office until his or her successor shall have been designated or until his or her resignation or removal in the manner provided in these Bylaws.

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Section 7.02 Powers. During the intervals between meetings of the Board of Directors, the executive committee shall have and may exercise all powers of the Board of Directors in the management of the business and affairs of the corporation, except for the power to fill vacancies in the Board of Directors or to amend these Bylaws, and except for such powers as by law may not be delegated by the Board of Directors to an executive committee.

Section 7.03 Proceedings. The executive committee, and such other committees as may be designated hereunder by the Board of Directors, may fix its own presiding and recording officer or officers, and may meet at such place or places, at such time or times and on such notice (or without notice) as it shall determine from time to time. It will keep a record of its proceedings and shall report such proceedings to the Board of Directors at the meeting of the Board of Directors next following.

Section 7.04 Quorum and Manner of Acting. At all meeting of the executive committee, and of such other committees as may be designated hereunder by the Board of Directors, the presence of members constituting a majority of the total authorized membership of the committee shall be necessary and sufficient to constitute a quorum for the transaction of business, and the act of a majority of the members present at any meeting at which a quorum is present shall be the act of such committee. The members of the executive committee, and of such other



committees as may be designated hereunder by the Board of Directors, shall act only as a committee and the individual members thereof shall have no powers as such.

Section 7.05 Resignations. Any member of the executive committee, and of such other committees as may be designated hereunder by the Board of Directors, may resign at any time by delivering a written resignation to either the president, the secretary, or assistant secretary, or to the presiding officer of the committee of which he or she is a member, if any shall have been appointed and shall be in office. Unless otherwise specified herein, such resignation shall take effect on delivery.

Section 7.06 Removal. The Board of Directors may at any time remove any member of the executive committee or of any other committee designated by it hereunder either for or without cause.

Section 7.07 Vacancies. If any vacancies shall occur in the executive committee or of any other committee designated by the Board of Directors hereunder, by reason of disqualification, death, resignation, removal, or otherwise, the remaining members shall, until the filling of such vacancy, constitute the then total authorized membership of the committee and, provided that two or more members are remaining, continue to act. Such vacancy may be filled at any meeting of the Board of Directors.

Section 7.08 Compensation. The Board of Directors may allow a fixed sum and expenses of attendance to any member of the executive committee, or of any other committee designated by it hereunder, who is not an active salaried employee of the corporation for attendance at each meeting of said committee.

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ARTICLE VIII  
INDEMNIFICATION, INSURANCE, AND  
OFFICER AND DIRECTOR CONTRACTS

Section 8.01 Indemnification: Third Party Actions. The corporation shall have the power to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, or suit by or in the right of the corporation to procure a judgment in its favor by reason of the fact that he or she is or was a director, officer, employee, or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, against expenses (including attorneys' fees) judgments, fines, and amounts paid in settlement actually and reasonably incurred by him or her in connection with any such action, suit or proceeding, if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the corporation, and with respect to any criminal action or proceeding, he or she had reasonable cause to believe that his or her conduct was unlawful.

Section 8.02 Indemnification: Corporate Actions. The corporation shall have the power to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action or suit by or in the right of the corporation to procure a judgment in its favor by reason of the fact that he or she is or was a director, officer, employee, or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection with the defense or settlement of such action or suit, if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the corporation, except that no indemnification shall be made in respect of any claim, issue, or matter as to which such a person shall have been adjudged to be liable for negligence or misconduct in the performance of his or her duty to the corporation, unless and only to the extent that the court in which the action or suit was brought shall determine on application that, despite the adjudication of liability but in view of all circumstances of the case, the person is fairly and reasonably entitled to indemnity for such expenses as the court deems proper.

Section 8.03 Determination. To the extent that a director, officer, employee, or agent of the corporation has been successful on the merits or otherwise in defense of any action, suit, or proceeding referred to in Sections 8.01 and 8.02 hereof, or in defense of any claim, issue, or matter therein, he or she shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection therewith. Any other indemnification under Sections 8.01 and 8.02 hereof, shall be made by the corporation upon a determination that indemnification of the officer, director, employee, or agent is proper in the circumstances because he or she has met the applicable standard of conduct set forth in Sections 8.01 and 8.02 hereof. Such determination shall be made either (i) by the Board of Directors by a majority vote of a quorum

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consisting of directors who were not parties to such action, suit, or proceeding; or (ii) by independent legal counsel on a written opinion; or (iii) by the shareholders by a majority vote of a quorum of shareholders at any meeting duly called for such purpose.

Section 8.04 General Indemnification. The indemnification provided by this Section shall not be deemed exclusive of any other indemnification granted under any provision of any statute, in the corporation's Articles of Incorporation, these Bylaws, agreement, vote of shareholders or disinterested directors, or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer, employee, or agent, and shall inure to the benefit of the heirs and legal representatives of such a person.

Section 8.05 Advances. Expenses incurred in defending a civil or criminal action, suit, or proceeding as contemplated in this Section may be paid by the corporation in advance of the final disposition of such action, suit, or proceeding upon a majority vote of a quorum of the Board of Directors and upon receipt of an undertaking by or on behalf of the director, officers, employee, or agent to repay such amount or amounts unless if it is ultimately determined that he or she is to indemnified by the corporation as authorized by this Section.

Section 8.06 Scope of Indemnification. The indemnification authorized by this Section shall apply to all present and future directors, officers, employees, and agents of the corporation and shall continue as to such persons who ceases to be directors, officers, employees, or agents of the corporation, and shall inure to the benefit of the heirs, executors, and administrators of all such persons and shall be in addition to all other indemnification permitted by law.

8.07. Insurance. The corporation may purchase and maintain insurance on behalf of any person who is or was a director, employee, or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the corporation would have the power to indemnify him or her against any such liability and under the laws of the state of incorporation, as the same may hereafter be amended or modified.

#### ARTICLE IX FISCAL YEAR

The fiscal year of the corporation shall be fixed by resolution of the Board of Directors.

#### ARTICLE X DIVIDENDS

The Board of Directors may from time to time declare, and the corporation may pay, dividends on its outstanding shares in the manner and on the terms and conditions provided by the Articles of Incorporation and these Bylaws.

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#### ARTICLE XI AMENDMENTS

All Bylaws of the corporation, whether adopted by the Board of Directors or the shareholders, shall be subject to amendment, alteration, or repeal, and new

Bylaws may be made, except that:

(a) No Bylaws adopted or amended by the shareholders shall be altered or repealed by the Board of Directors.

(b) No Bylaws shall be adopted by the Board of Directors which shall require more than a majority of the voting shares for a quorum at a meeting of shareholders, or more than a majority of the votes cast to constitute action by the shareholders, except where higher percentages are required by law; provided, however that (i) if any Bylaw regulating an impending election of directors is adopted or amended or repealed by the Board of Directors, there shall be set forth in the notice of the next meeting of shareholders for the election of directors, the Bylaws so adopted or amended or repealed, together with a concise statement of the changes made; and (ii) no amendment, alteration or repeal of this Article XI shall be made except by the shareholders.

CERTIFICATE OF SECRETARY

The undersigned does hereby certify that she is the secretary of MADRONA VENTURES, INC., a corporation duly organized and existing under and by virtue of the laws of the State of Nevada; that the above and foregoing Bylaws of said corporation were duly and regularly adopted as such by the Board of Directors of the corporation and that the above and foregoing Bylaws are now in full force and effect.

DATED THIS 21st day of June, 2005.

/s/ Darcy Krell

-----  
President and Secretary

Law Offices of  
Daniel C. Masters  
4490 Philbrook Square, San Diego, CA 92130  
Tel: (858)523-1177 \*\*\* Fax: (858)523-1102  
Email: masters@lawyer.com

December 29, 2006

U.S. Securities and Exchange Commission  
450 Fifth Avenue, NW  
Washington, DC 20549

Re: Registration Statement on Form SB-2 Under the Securities Act of 1933 (the "Registration Statement"), of Madrona Ventures, Inc., a Nevada Corporation (the Company)

Gentlemen:

I have acted as special counsel for the Company for the limited purpose of rendering this opinion in connection with the registration (pursuant to the Registration Statement) of 1,525,000 shares (the "Shares") of the common stock, par value \$0.001 per share of the Company. I was not engaged to prepare or review, and I have not prepared or reviewed, any portion of the Registration Statement. I express no opinion as to the accuracy or adequacy of the disclosure contained in the Registration Statement, and I hereby disclaim any responsibility for the content of the Registration Statement.

In my capacity as special counsel to the Company, I have examined originals, or copies certified or otherwise identified to my satisfaction, of the following documents:

1. Certificate of Incorporation of the Company, as amended to date;
2. By-Laws of the Company, as amended to date;
3. The records of corporate proceedings relating to the issuance of the Shares, and;
4. Such other instruments and documents as I have believed necessary for the purpose of rendering the following opinion.
5. In such examinations, I have assumed the authenticity and completeness of all documents, certificates and records submitted to me as originals, the conformity to the original instruments of all documents, certificated and records submitted to me as copies, and the authenticity and completeness of the originals of such instruments.

Based on the foregoing, and having due regard for such legal considerations as I believe relevant, I am of the opinion that, under applicable law of the State of Nevada (including statutory, regulatory and case law), the Shares were duly authorized by all necessary corporate action on the part of the Company, currently validly issued fully-paid and nonassessable when sold after the effectiveness of the Registration Statement.

I hereby consent to the filing of this opinion with the U.S. Securities and Exchange Commission as Exhibit 5.1 to the Registration Statement.

Very truly yours,

Daniel C. Masters, Attorney at Law

/s/ Daniel C. Masters

-----  
Daniel C. Masters

[LETTERHEAD OF DALE MATHESON CARR-HILTON LABONTE LLP]

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the use in this Registration Statement on Form SB-2 of our report dated October 11, 2006 relating to the financial statements of Madrona Ventures Inc. appearing in the Prospectus which is part of this Registration Statement and to the reference to our firm under the caption "Experts" in such Prospectus.

/s/ DMCL

-----  
Dale Matheson Carr-Hilton LaBonte LLP  
Chartered Accountants

Vancouver, Canada  
December 27, 2006

ANDRE M. PAUWELS P.GEO

CONSULTING GEOLOGIST

December 24, 2006

U.S. Securities and Exchange Commission  
Division of Corporation Finance  
450 Fifth St. N.W.  
Washington DC 20549

Letter of consent

Re: MADRONA VENTURES INC. - Form SB-2 Registration Statement

Dear Sirs:

I hereby consent to the inclusion or incorporation by reference in this Form SB-2 Registration Statement of the following report authored by me:

- \* EVALUATION REPORT - TELLURIC GOLD PROPERTY - Tenure No's: 518818 , 518828, British Columbia, Canada - for MADRONA VENTURES INC. by Andre M. Pauwels, P.Geo - dated: May 11, 2006.

In addition, I also consent to the reference to myself included under the heading "Experts" in this Registration Statement.

Sincerely,

/s/ Andre M Pauwels

-----  
Andre M Pauwels P.Geo

Phone: 604 240 8560 \* andrepauwels@shaw.ca  
4900 Mariposa COURT \* Richmond BC CANADA \* V7C 2J9

EVALUATION REPORT

TELLURIC GOLD PROPERTY

Tenure No's: 518818 , 518828

British Columbia Canada

Latitude: 50(0) 09' N  
 Longitude: 120(0) 43' W  
 NTS: 92 P 2

For

MADRONA VENTURES INC.

By

Andre M. Pauwels, P.Geo

May 11, 2006

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2.0 SUMMARY

The Telluric and Moon Gold showings claim occur in a well accessible part of southern British Columbia, Canada. The Telluric showing dates from the 1930's when a shaft and 40 m long underground drift were driven along a 1m wide shear zone with gold bearing quartz. The Moon showing is located 2km to the south. Prospecting in the past was unsuccessful to extend the vein/shear system beyond the 150 meter strike length indicated on surface, mainly because most of the area is covered with a thin mantle of glacial overburden. Attempts in 1987-89 to trace the zone with magnetics and VLF-EM techniques were unsuccessful; however no geochemical exploration techniques appear to have been applied in the past.

It is concluded that the claim is prospective for gold mineralization hosted in quartz veins. It is recommended to explore the immediate area of the two showings with systematic bark sampling, a technique that has the capability to detect mineralization through thin glacial overburden. If results warrant, sampling is to be followed by a program of trenching.

Cost of sampling the Telluric showing is estimated at US \$ 7,000 and at US \$ 5,500 for the Moon showing. If high gold is found in bark, then a campaign of trenching is recommended. The cost of trenching is estimated at US \$17,000.

### 3.0 INTRODUCTION AND TERMS OF REFERENCE

The author, a registered member of the British Columbia Association of Professional Engineers and Geoscientists and independent of MADRONA VENTURES INC. was retained by the MADRONA VENTURES INC. to study all documentation of the TELLURIC Gold Prospect in South Central British Columbia, Canada and to recommend an exploration program if warranted. The author examined all available documentation about the property and recommends a multi stage exploration program to realize the potential of the property.

### 4.0 PROPERTY DESCRIPTION AND LOCATION

The Telluric Gold Prospect is located in South Central British Columbia, Canada, 60 km north-northwest of the City of Kamloops on NTS Sheet 92P (Latitude: 51(0) 39' 12"N and Longitude: 122(0) 33' 10" W). The property consists of two Mineral

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Cell Title Submissions (MCX) recorded as Mineral Claims on September 27, 2005 with Tenure record ID No 518818 and 5188828. The claims contain 40 cells with a total surface area of 993.17 Hectares (1099.22 acres). The claim and cells are listed in Table 1 below and their location illustrated on figures 1, 2 and 3 below.

| Tenure Number | Tenure Type | Claim name | Registered Owner | Map Number | Good to Date | Area Ha |
|---------------|-------------|------------|------------------|------------|--------------|---------|
| 518818        | Mineral     | GREENGOLD  | A. Pauwels       | 92P        | 2006 AUG 08  | 506.85  |
| 518828        | Mineral     | ENERGY1    | A. Pauwels       | 92P        | 2006 AUG 08  | 486.32  |

Since January 2005 all mineral claims in British Columbia are acquired by an internet based map staking system, so location and title is secure and easily verifiable. The author verified titles at the website of the British Columbia Ministry of Energy and Mines (<http://www.mtonline.gov.bc.ca/>). The claim was staked by A. Pauwels on behalf of J. Lunshof on September 6, 2005. On March 15, 2006 Andre Pauwels, through a bill of sale, transferred his 100 % interest in the claims to J. Lunshof. On May 1, 2006, J. Lunshof in turn sold a 100% interest in the mineral claim to MADRONA VENTURES INC. All of the area of the mineral claims is unencumbered Crown Land.

The claims are in good standing until August 8, 2006. To keep the claim in good standing, assessment work, acceptable to the Minister of Energy and Mines, has to be performed before August 8, 2006 The requirement is \$4.00 per hectare year for each of the first 3 years after September 2006 and \$8 per hectare per year post September 2009. Assessment work has to be completed by a qualified person and registered before the expiry date of the claim. Cash can be paid in lieu of assessment work. In addition to the assessment work or cash in lieu, a yearly fee of \$0.40 per hectare per year is required. Total costs to maintain the claims until August 8, 2007 are \$4,469.95.

### 5.0 ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

The property is situated in South Central British Columbia; 60 km north-northwest of the City of Williams Lake (see figures 1 and 2 below). The property can be reached by road from Kamloops by following paved Highway 1 west to 8 km west of the Community of Savona and then north for 48 km along the Deadman River road to the Vidette Lake Resort. One km past the Vidette Lake Resort, a ranch road branching north, gives access to the B.C. Forest Service 3300 logging road. The property itself is along the 3800 road, a southerly branch of the 3300 road. Total driving distance from the Vidette Lake resort is 17.5 km.

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The nearest community with some basic services is Savona, a town situated along the Trans-Canada Highway. The City of Kamloops is a regional population centre with many services and amenities for industrial, educational and leisure activities.



[MAP SHOWING THE TELLURIC GOLD LOCATION]

The property is situated on the Fraser plateau, an area with gentle relief, but incised by the Deadman River. Elevations on the property vary from 1180 to 1380 m above sea level. Vegetation consists mainly of lodge pole pine and douglas

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fir. The climate is characterised by hot and dry summers and cold but wetter winters. Most precipitation falls in the form of snow during the wintertime. Snow cover prevails from mid November until mid April.

[MAP SHOWING THE TELLURIC GOLD PROJECT ACCESS ROADS]

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#### 6.0 PROPERTY HISTORY

The general area, as most of British Columbia, is covered by regional stream sediment surveys, systematic wide spaced aeromagnetic coverage and regional geological mapping. These data were generated by the Geological Survey of Canada and/or the BC Geological survey. From Historic records two gold showings are known on the property: Telluric and Moon. The Telluric gold showing was discovered in the early thirties and was described in some detail by a B.C. government agent in 1936 (J. Stevenson, 1936). Work at that time, consisting of a 15 m deep shaft and some drifting along a shearrzone with goldbearing quartz veins, was done by the same company that was mining at the Vidette Lake gold mine located 15 km to the west of Telluric. Production at Telluric, if any, can only have been very small considering the small volume of waste piles. Work on the property apparently ceased when the Vidette Gold mine closed in 1930's

In 1987-89 the Telluric property was owned by M. Dickens and exploration work consisted of prospecting (Dickens 1987) and a small VLF-EM and ground magnetic survey (Leishman 1989). Prospecting indicated that the area to the east of the shaft has some outcrop of mafic volcanic with indications of the vein/shear zone in old trenches. However no outcrop was found along the possible western extension of the vein/shearzone. The VLF/magnetic survey was centred on the shaft but no conductivity or magnetic signature was found to be associated with the shear zone.

Very little documentation is available on the Moon gold showing, located 2km south of the Telluric showing. The only report is a mention in 1936 (J. Stevenson, 1936) of a small sample of quartz from a blast pit that assayed 0.02 oz/t Au.

#### 7.0 REGIONAL AND AREA GEOLOGY

The main geological information for the area is mapping on a 1/250,000 scale by the Geological Survey of Canada (Campbell 1971). These geological data are reproduced, in slightly mdified form, on the BC Geological survey's website: (<http://www.em.gov.bc.ca/Mining/Geolsurv/MapPlace/>) and it is those data that are illustrated on figure 3 below.

The property is situated in the intermontane morpho-geological belt of South Central British Columbia. In general this belt, that runs parallel to the general north-westerly trend of the Cordillera through the whole length of British Columbia, is composed of volcanic and sedimentary rock ranging in age from Devonian to Recent and has early Mesozoic to early Tertiary granitic intrusions. Locally the oldest rocks are basaltic and andesitic rocks of the

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Upper Triassic Nicola Group intruded by granodiorites of Triassic or Jurassic age and belonging to the Thuya Batholith. These Mesozoic rocks occur as erosional windows in a regionally persistent cover of Miocene to Pliocene continental Basalt flows

[MAP SHOWING TELLURIC GOLD AREA GEOLOGY]

and coarse continental sediments of the Chilcotin Group. The area has been subject to glaciation and glacial till mantles most of the older rock formations.

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No detailed geological work has been done in the area apart from some prospecting in the immediate vicinity of the Telluric gold showing (Dickens 1987) and the description, dating from 1936, of a short drift and some test pits on the Telluric showing. At Telluric gold is found in a narrow quartz veins that occur within a 1 m wide shear zone in mafic volcanic rock that are attributed to the Upper Triassic Nicola Group. The workings consist of a 15 m deep shaft that gives access to a 7 m crosscut and a 40.2 meter long drift developed along the shear zone and vein. The shear zone and vein are reported to strike 65 to 70 degrees northeast and dip steeply to the northeast. The best value reported underground in 1936 in quartz was 0.3 oz/t Au over 8 inches. Surface pits indicate that the shear zone appears to be continuous over 150 m to the east-southeast of the Telluric shaft. Assays reported in 1936 from surface pits were 0.2 oz/t over 18 inches and 0.1 oz/t Au over 18 inches. Small amounts of sphalerite, chalcopyrite and tetrahedrite were also reported.

The area of the Moon showing also appears to be underlain by basic volcanic rocks and is generally lacking in outcrop.

#### 8.0 INTERPRETATION AND CONCLUSIONS

The area of the claims is prospective for gold in quartz veins. Results to date indicate a 150 m long rather narrow shear zone with gold bearing quartz at the Telluric showing and a single indication of gold in quartz at the Moon showing, which is located 2 km south southwest of the Telluric showing. The shear and vein occur in metamorphic basic volcanic rocks. Past prospecting indicated that most of the area is covered by glacial drift. It was then noted that the area to the west of the Telluric showing was entirely drift covered. Limited VLF-EM and magnetic surveys were not found to be useful in tracing the shear zone with gold bearing quartz. No follow-up work has been reported on the Moon gold showing and no geochemical sampling has been reported on either showing.

It is concluded that the claims are prospective for gold in quartz veins. Exploration in the past has been hampered by the almost complete coverage of the area by glacial drift and by the lack of geophysical expression of the known gold mineralization. It is proposed to explore the area of the Telluric and Moon showings with geochemical methods. It is recommended to do detailed and systematic bark sampling in the area of the Telluric and Moon showings (see figure 4 below). Biogeochemical sampling has some potential to negate the effects of the glacial cover especially if the cover does not exceed more than a few meters. Specifically it is recommended to:

1. Establish a grid over a 1000 by 500 m area and centred on the Telluric Shaft. Lines should be oriented N25E across the strike of the known Telluric vein, extend 250m to the NE and 250m to the southwest. Trees

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are to be sampled at 25 m intervals west of the shaft, where overburden prevails and at 50 m intervals east of the shaft where the shear zone/vein is intermittently exposed over 150 m of strike.

2. Establish a grid over a 500 by 500m area around the Moon showing. Lines to be oriented north-south and spaced 100 meters apart. Trees to be sampled at 50 m intervals along lines.
3. If positive results are found from the bark sampling, a program of trenching with a backhoe of all areas with high gold in bark is recommended

TABLE 2 BUDGETS

|                     |                   | \$  | US \$ |
|---------------------|-------------------|-----|-------|
| 1 SAMPLING TELLURIC |                   |     |       |
| Travel              | 2 man days        | 600 |       |
| Bark sampling       | Technician 3 days | 600 |       |

|                      |                                  |       |       |
|----------------------|----------------------------------|-------|-------|
| Establishing Grid    | Geologist 1 day/technician 1 day | 600   |       |
| Analysis             | 150 samples @ \$25 each          | 3750  |       |
| Sample transport     |                                  | 100   |       |
| Food Lodging         | 5 man-days \$75 per day          | 375   |       |
| Truck rental/gas     |                                  | 400   |       |
| Report/drafting      |                                  | 1500  |       |
|                      | TOTAL                            | 7925  | 6952  |
| 2 SAMPLING MOON      |                                  |       |       |
| Travel               | 2 man days                       | 600   |       |
| Bark sampling        | Technician 1 days                | 200   |       |
| Establishing Grid    | Geologist 1 day/technician 1 day | 600   |       |
| Analysis             | 60samples @ \$25 each            | 3750  |       |
| Sample transport     |                                  | 50    |       |
| Food Lodging         | 3 man-days \$75/day              | 225   |       |
| Truck rental/gas     |                                  | 250   |       |
| Report/drafting      |                                  | 500   |       |
|                      | TOTAL                            | 6175  | 5417  |
| 3 TRENCHING          |                                  |       |       |
| Backhoe rental       | 5 days @ 600/day                 | 3000  |       |
| Permitting           |                                  | 4000  |       |
| Mobe /Demobe         |                                  | 3000  |       |
| Supervision sampling | Geologist 5 days                 | 2500  |       |
|                      |                                  |       | 22    |
| Travel               | Geologist 2 days                 | 1000  |       |
| Food and Lodging     | 5 days @ \$75/day                | 375   |       |
| Truck rental /gas    | 7 days                           | 500   |       |
| Report and drafting  |                                  | 1500  |       |
| Analysis             |                                  | 1500  |       |
| Contingency          |                                  | 2000  |       |
|                      | TOTAL                            | 19375 | 16996 |
|                      |                                  |       | 29365 |

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[MAP SHOWING THE TELLURIC GOLD PROPERTY CLAIMS-ROADS-TOPOGRAPHY]

#### 9.0 REFERENCES AND LITERATURE

- 1936 Stevenson, John S. Annual Report of the Minister of Mines (British Columbia) for 1936- Part F TELLURIC CAMP (Report 24), MOON GROUP (Report. 25)
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- 1971 Campbell R. B., Tipper H. W. Geology of Bonaparte Lake, British Columbia Map area, Geological Survey of Canada - Mem. 363 Map 1278A
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- 2006 MINFILE MOON Min File No 92P 092 at <http://www.em.gov.bc.ca/Mining/Geolsurv/Minfile>

Signed May11, 2006

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Andre M Pauwels, P. Geo

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CERTIFICATE OF QUALIFICATIONS

ANDRE M. PAUWELS P.GEO  
CONSULTING GEOLOGIST  
4900 MARIPOSA COURT RICHMOND BC 604 240 8560

I, Andre M. Pauwels, P. Geo., do hereby certify that:

1. I am a Consulting Geologist and have an office at my residence at 4900, Mariposa Court in Richmond B.C., V7C 2J9, Canada and serve as a director of Dundarave Resources Inc. and Gold World Resources Inc. Both companies are listed on the TSX Venture Exchange and unrelated to MADRONA VENTURES INC.
2. I graduated in 1970, from the State University of Ghent, Belgium with a B.Sc. Science, Geology.
3. I am a Professional Geoscientist, member of the Association of Professional Engineers and Geoscientist of British Columbia, registration number 20157, and in good standing since 1993
4. I have practised Mineral Exploration continuously since September 1970 as a staff geologist for Union Miniere Explorations, Canada from 1970 to 1980, as a Senior Geologist for Bethlehem Copper Corp. in 1981 and as a Senior Geologist, later Exploration Manager, for Cominco Ltd from 1981 to 2001. I acquired experience in exploring for porphyry copper, gold, lead-zinc, uranium and diamond deposits and practiced my profession in Canada, USA, Chile, Argentina, Peru, Ecuador, Guyana, Suriname, Brazil, Thailand, Morocco, Saudi Arabia, Iran, Vanuatu and Indonesia.
5. I am responsible for the preparation of all sections of the Evaluation Report entitled "Evaluation Report - Telluric Gold Property" and dated May 11, 2006 relating to the Telluric Gold Prospect.
6. I have had no prior involvement with the Telluric Gold Prospect that is the subject of the Report.
7. I am not aware of any material fact or material change, with respect to the subject matter of the Report, which is not reflected in the report, and of which the omission to disclose would make this Report misleading.
8. I am independent of MADRONA VENTURES INC.
9. I consent to the filing of this Report with any stock exchange or other regulatory authority and any publication by them for regulatory purposes, including electronic publication in public company files on their websites accessible by the public, of the Report.

Dated this 11nd day of May, 2006

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Andre M. Pauwels, P. Geo

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