

TELLURIDE LAKE GOLD PROPERTY PROSPECTING REPORT

June 5, 2009

Beemer Township, Ontario
Porcupine Mining Division
NTS: 42A/3

Prepared for:
Ashley Gold Mines Limited
14579 Government Rd.
Larder Lake, ON P0K 1L0

and

Ranger Resources Inc.
36 Prospect Avenue
Kirkland Lake, ON P2N 2V4

Prepared by:
Daniel J. McCormack, P.Geol.
28 Dixon Avenue
Kirkland Lake, ON P2N 1W4

June, 2009

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1. SUMMARY

The Telluride Lake property, is a gold prospect, located in the southern Abitibi Greenstone Belt, that has had sporadic exploration and development since initial gold discovery at Telluride Lake in the 1930's. On June 5, 2009 prospecting was undertaken to field investigate two historic gold occurrences, located on the property, having 'grab' assays of up to 58.2 gAu/t (1.7 oz.Au/ton)¹. In 1988 and 1999, American Barrick Resources Corporation and Starfire Minerals Inc. respectively, cored 1,069 m from five drill holes, to test the mineralization potential, continuity and extensions of the historic gold occurrences.

Prospecting undertaken on June 5 identified a number of old trenches having a mineralized biotite-chlorite schist and mineralization on margins of associated quartz veins.

¹ Ontario Geological Survey. Report 231. Geology of the Ferrier Lake-Canoeshed Lake Area, District of Subbury. 1984. Page 50.

2. INTRODUCTION

On June 5, 2009, two historic gold occurrences were investigated on the Telluride Lake gold property as well as peripheral rock outcrops.

3. TERMS OF REFERENCE

This report is written by Daniel J. McCormack, P. Geo who at the time of the exploration activities in this report held positions as President of Ranger Resources Inc.

The writer's involvement included desktop compilation and ground prospecting, transfer of paper data to digital format, sample collecting, sample delivery & security and assay recording.

David Larocque, President of Ashley Gold Mines Limited was involved in the desktop compilation of historic data, field logistics, GPS tracking, sample collecting, and prospecting.

The report contains the following contractions; 'gAu/t' = grams gold per tonne, 'oz.Au/ton' = troy ounces gold per short ton, 'km' = kilometre, 'm' = metre, 'ft.' = foot, 'in.' = inch, and 'ddh' = diamond drill hole.

4. LAND TENURE, LOCATION AND ACCESS

Located in Beemer Township, Ontario, Porcupine Mining District, NTS 42A/3, the Telluride Lake property consists of two staked mining claims, P4202435 and P4202436, totaling 20 units, 16 + 4 units respectively. Ashley Gold Mines Limited and Ranger Resources Inc. are both recorded holders of these claims having 50% each.

The Telluride Lake property is located approximately 45 km south of Timmins, Ontario. Access to the property, however, started in Larder Lake using Highway 66 west of Matachewan to Highway 566. Highway 566 was followed to a series of forestry roads which linked to the Telluride Property.

Property Location

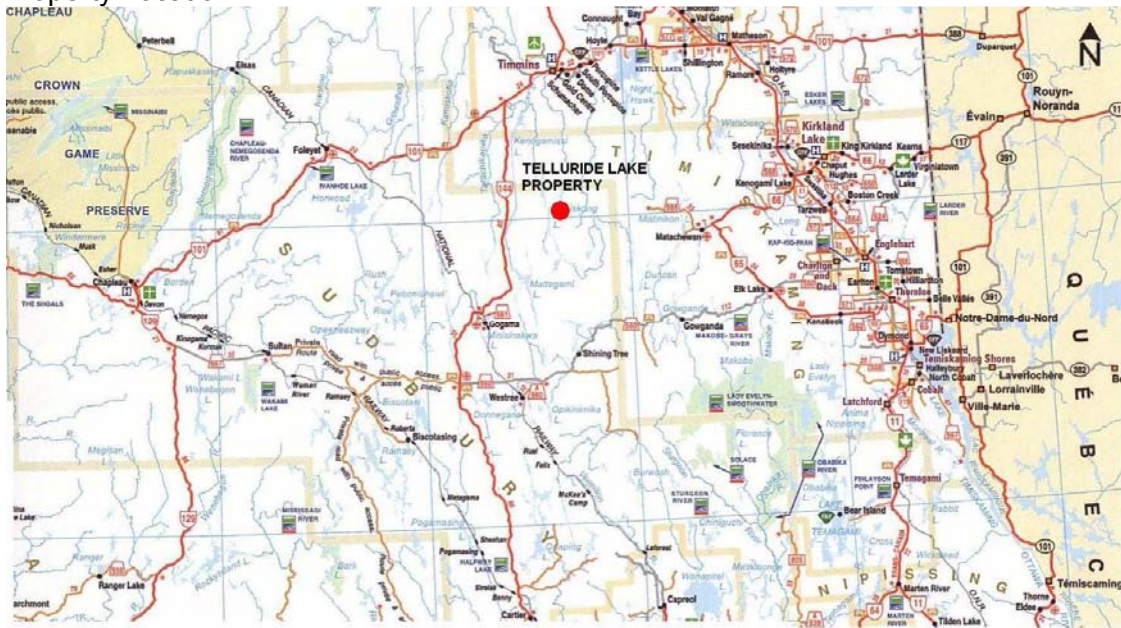


Figure 1

Claim Map

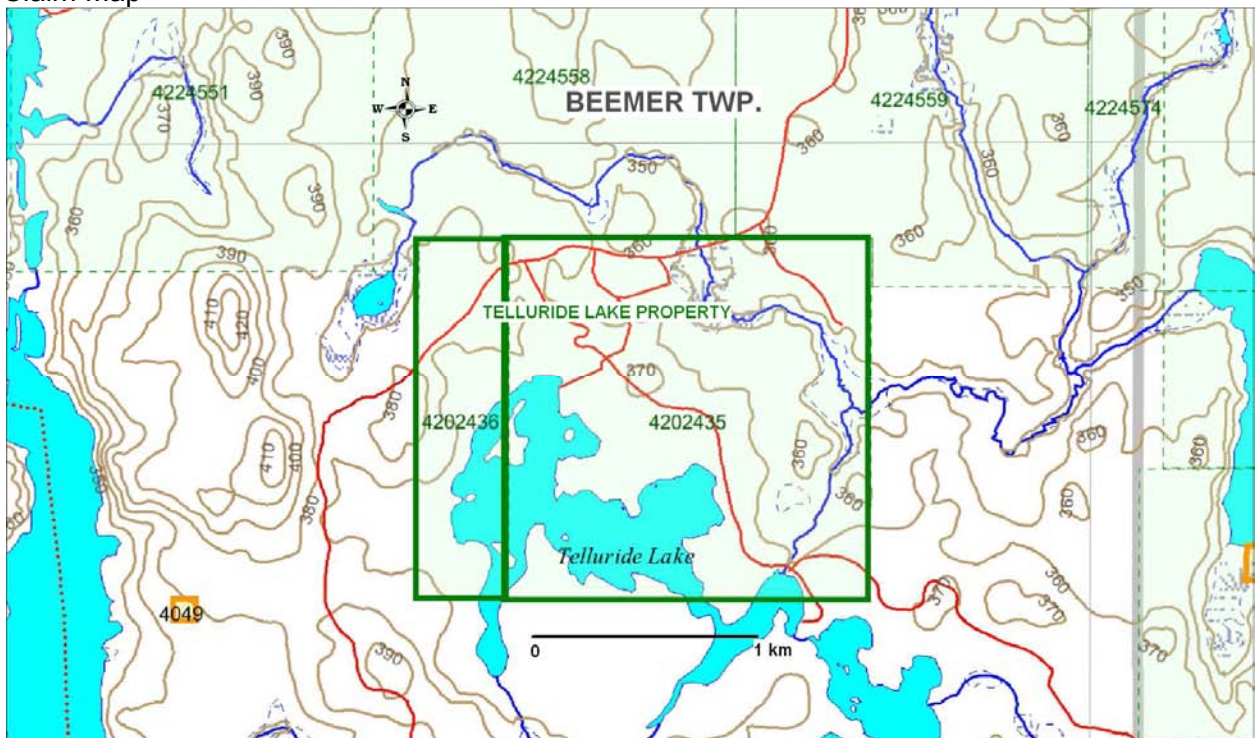


Figure 2

5. EXPLORATION HISTORY

The following is a chronology of exploration and development on the Telluride Lake property, also referred to over the years as the J.C. Nelson Claims, Beemer, Spanride, and Muskasenda-Bellemare properties.

1912, J.G. McMillan:

In 1912, J.G. McMillan, in a report to the Ontario Government Railway, cited that the Nelson claim, located at Telluride Lake, was staked on quartz veins aggregating 4.8 to 6.1 m (16 to 20 ft.) in width, banded with schist. McMillan went on to say that telluride of silver and gold were found and that considerable development work was being undertaken.

1935 and 1936, Sylvanite Gold Mines, Limited & Erie Canadian Mines Limited:

In 1935, a one page summary from apparently Sylvanite Gold Mines, Limited provide the following anomalous gold values from the Telluride Lake (Nelson Claims) showings;

Date	Location	Sample Type	Width(m)	Grade (gAu/t) ²
May 19/35	from pit on claim 1887	grab	-	58.2
May 19/35	from #2 pit on claim 1887	grab	-	5.5
May 19/35	from pit on 1760	grab	-	1.4
May 19/35	from pit on 1760	grab	-	0.7
July 16/35	from pit on 1760	chip	0.91	15.1
July 16/35	from pit on 1760	chip	1.22	12.9

In 1936, Erie Canadian Mines Limited investigated (and probably optioned) Nelson's two gold showings on claims 1887 (now central part of current claim P4202435) and 1760 (now near the west boundary line of claim P4202435). A trench with a 0.91 m wide quartz vein cutting 'Keewatin sediments and greenstones' was identified striking E-W, dipping 70°N. Free gold was reported in this trench by Nelson but water prohibited sampling. Other showings in trenches on claim 1887, as well as 7061 (all within P4202435) consist of lenticular "blows" of quartz and narrow quartz stringers in sheared greenstone. Chip samples of mineralized material showed nothing more than 0.78 gAu/ton.

On claim 1760, near the north-west shore of Telluride Lake, a large lens shaped mass of quartz was identified in sheared greenstone. Chip sample of mineralized material ran trace.

Approximately 1.8 km east of claims 1887 & 7061, (central part of current claim P4202435), a strong E-W striking 24 m shear zone forms the south boundary of a large gabbro. Sampling of a 21 m length of a mineralized section of the shear zone provided anomalous gold values over 0.97 m widths in some sections.

² Original assays given in \$value per ton. Original assays were divided by \$35 per ounce which, in 1935, was the price of gold and then converted to gAu/t.

1977, D.R. Pyke:

An O.G.S. map no. 2345 is published of the Peterlong Lake area at a scale of 1:50000.

1981, Lynco Resources Ltd.:

Lynco conducted ground VLF, radiometric and magnetic surveys on grid lines cut at 122 m centres. A VLF conductor was identified to the south and magnetic high to the north-east of historic trench located near NE Telluride Lake on historic claim 1760. Diamond drilling was recommended to test NE extensions of the quartz-shear system identified in the trench.

1985, Marjel Resources Inc.:

Ground magnetometer and geology surveys were conducted. A magnetometer high was identified at historic trench at same location as Lynco Resources Ltd. anomaly. Three grab samples of quartz vein at historic trench near NE Telluride Lake assayed 0.2 to 1.4 gAu/t. Two grab samples from historic trench of schists and quartz vein near NW Telluride Lake assayed 0.3 to 1.7 gAu/t. The author recommended expanding the land holdings and concentrating on evaluating the schists for gold mineralization and potential.

1988, American Barrick Resources Corporation:

American Barrick completed two diamond drill holes MK88-1 and -2 near the NE shore of Telluride Lake, presumably testing the historic quartz vein-shear zone on old claim 1887. No significant gold assays were returned from assaying. Of note, a 3 to 15 m core length biotite-chlorite-schist was intersected in both drill holes with 5 to 20% quartz-carbonate veining throughout.

The Company also completed one drill hole MK88-3 designed to test the quartz vein-shear system near NW Telluride Lake on former claim 1760. The drill hole returned 1 gAu/t over 1 m from 102.05 to 103.05 m hosted in a quartz gabbro. The anomalous intersection is bordered by 1 m quartz veining with up to 5% pyrrhotite stringers, and traces of pyrite and chalcopyrite.

1999, Starfire Minerals Inc.:

Starfire completed two diamond drill holes SP-1-99 and SP-2-99, testing the quartz vein-shear structures that American Barrick had tested in 1988. No significant gold assay results were reported.

2008, Ashley Gold Mines Limited:

Ashley conducted ground magnetometer and VLF surveys on the northern portion of claims P4202435 and P4202436 on GPS lines trending E-W. A positive magnetometer anomaly is identified proximal to historic quartz vein / shear occurrence on the NW side of Telluride Lake. A further positive magnetic anomaly is found to the east of the showing. VLF conductors are identified generally trending N-S and may be

representative of gabbro sill +dike and basalt contact contrasts or biotite-schist and basalt contacts, as provided in general geology mapping.

6. REGIONAL AND PROPERTY GEOLOGY

The Telluride Property is located in the Peterlong assemblage, western Abitibi Subprovince of the Abitibi Greenstone Belt. Although age-dating has not been undertaken on units in the assemblage, age of the units are considered Archean and similar to other units adjacent to large batholiths in the southern Abitibi Greenstone Belt³. The Peterlong assemblage is bound by the Kenogamissi batholiths to the west and the Muskasenda gabbro to the east. Given the low and flat aeromagnetic pattern, lithology is considered to be dominated by magnesium-rich tholeiitic metavolcanics.

Property geology is provided by approximately 15% outcrop exposure showing foliated mafic basalts, gabbro and biotite-chloritic-schists. Diamond drilling completed in 1988 and 1999, by American Barrick and Starfire Minerals respectively, reveal a succession of foliated & altered volcanic flows and intrusions that include mafic basalt flows & pillowed flows, biotite-chlorite and chlorite-carbonate schist, mafic intrusive, quartz-feldspar porphyry, feldspar porphyry and felsic volcanic. The biotite-chlorite and carbonate-chlorite schists appear to be metamorphosed sections of mafic basalts.

A further review of 'folded-shapes' of gabbro units⁴ on the Telluride Lake property may indicate that units form a part of a larger synform with the Muskasenda Lake Fault on the eastern limb. Moreover, it would appear that any deformation and metamorphism on Telluride Lake property units were influenced by the batholith complex that formed immediate to the south and west.

Quartz veining and related mineralization are predominantly associated with biotite-chlorite schist units.

³ Ontario Geological Survey. Special Volume 4. Part 1. Edited by P.C. Thurston et al. Geology of Ontario. 1991. Page 433.

⁴ OGS Map 2345 and 2289.

Property Geology

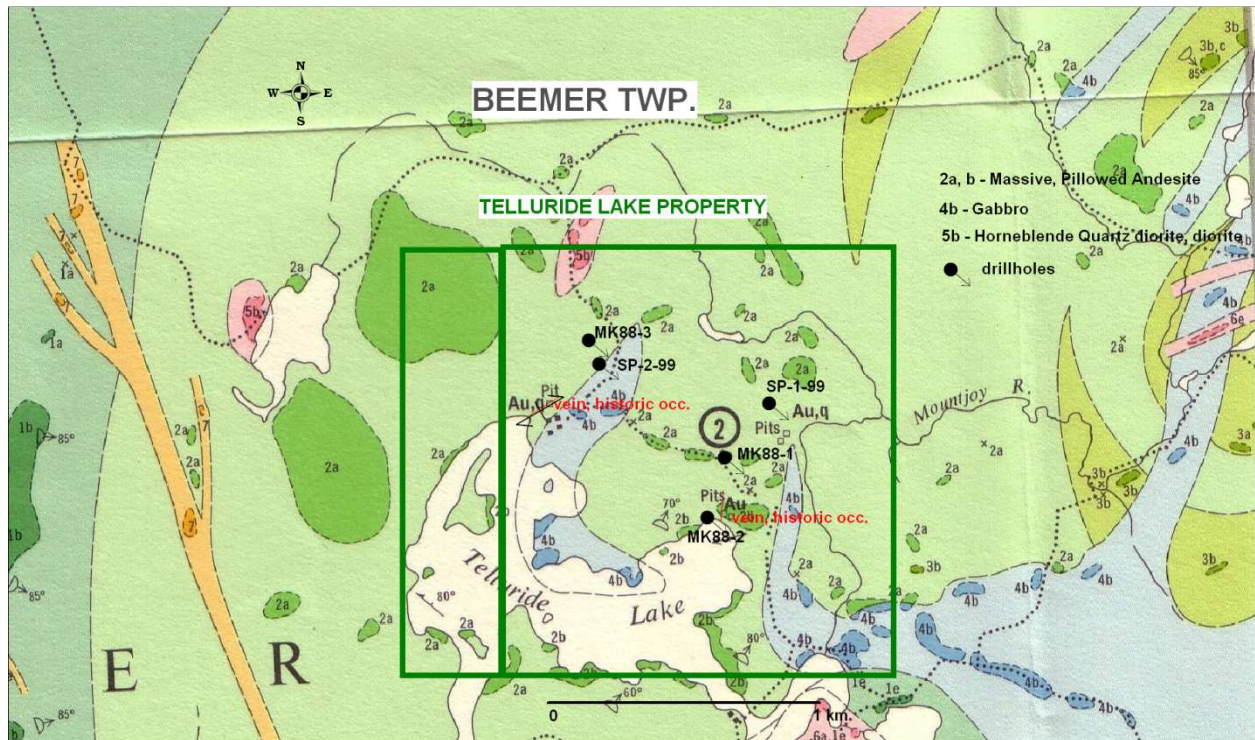


Figure 3

7. PROSPECTING POINT OBSERVATIONS

On June 5, 2009 two main, historic trenches were investigated, as well as peripheral rock outcrops, to study quartz veining + mineralization characteristics and to sample-assay⁵ mineralized schist units where encountered. The following table is a summary of locations investigated, rock and sample descriptions.

Point Location Descriptions

E_UTM	N_UTM	Acc. (m)	Item Description	Sample No.
473006	5324494	5	Line post 400MW of post#2 cl P4224558	
472896	5324212	6	Diamond drill collar -45 deg, 110azm	
472748	5324144	6	Historic trench NW Telluride Lake; sheared gabbro or biotite-chlorite schist with >7 m qtz vein, sulphides (py & cpy) on margins of veins; shear at 050 azm dipping steep to NW	15951 15952
472753	5324130	6	Sulphide-oxidized zone; brittle fractures at 080 azm; blocky not sheared; gabbro	15953

⁵ Swastika Laboratories Ltd., 1 Cameron Ave., Box 10, Swastika, ON P0K 1T0.

473230	5323801	5	Line Post 1600ME of #4post P236596 & P1207466	
473379	5323699	5	Part of historic trench NE Telluride Lake; Qtz vein with 3 cm shear at 137 azm, dips NE	15954
473466	5323729	7	Historic trench NE Telluride Lake trending 330 azm; no outcrop seen	
473593	5323826	6	Probable drill pump road ends at creek/swamp	
473521	5323842	6	Intersection of line & baseline – old grid	
473426	5323681	6	Old test trench adjacent to trail – trenching at 096 azm	
473375	5323666	7	Historic N-S trending trench NE Telluride Lake; strong qtz system & qtz blows; trench with pits; sheared gabbro- shear trending E-W or biotite-chlorite schist; qtz stringers at 066 azm	
473382	5323664	6	Biotite-chloritic schist; 3-5% py; qtz stringers in trench	15955

Acc. – means GPS accuracy.

Table 1

Point and Sample Locations

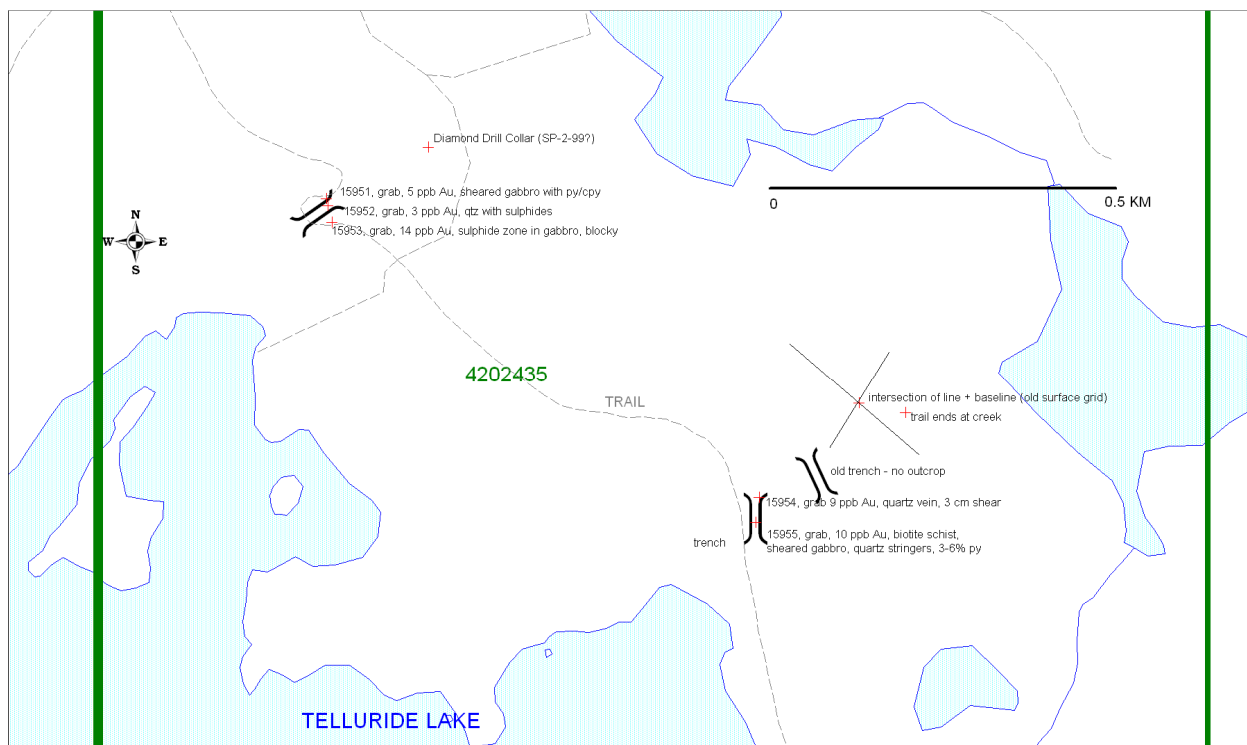


Figure 4

8. CONCLUSIONS & RECOMMENDATIONS

Assay Results

Sample No.	Au ppb	Au ppb check	Comments
15951	5	-	shear + schist with pyrite, rare malachite
15952	3	-	quartz with pyrite + chalcopyrite
15953	14	-	fine grained pyrite in gabbro?
15954	9	9	quartz vein within a 3 cm shear at 137 azm
15955	10	-	Biotite-chlorite schist with pyrite + quartz stringers, 3-5% pyrite

Table 2

Given the recent and historic testing of these shear-vein systems, it is recommended that exploration efforts expand beyond the known occurrences in search for similar, but larger scale shear-vein structures. To facilitate this, the 2008 Ashley Gold survey provides expected geophysical signatures on known shear occurrences.

Respectfully submitted,

Daniel J. McCormack, P.Geol

Kirkland Lake, Ontario

9. STATEMENT OF QUALIFICATIONS

I, Daniel J. McCormack, of the TOWN of KIRKLAND LAKE, in the PROVINCE of ONTARIO, hereby certify:

I am a geologist and currently President of Ranger Resources Inc. operating out of Ranger's Kirkland Lake Office.

I graduated from the University of Waterloo, H.BES in 1984.

I have practiced as an exploration or mine geologist from 1984 to 1993 and from 2001 to present with experience that has included design, implementation & management of grassroots to advanced exploration programs and as part of mine production operations in Canada.

I am currently registered as a professional geoscientist (membership number 1321) with the Association of Professional Geoscientists of Ontario (APGO).

This report is based on a study of all information made available to me, both published and unpublished, and on information collected in the field by me on June 5, 2009.

Dated in Kirkland Lake this 29 day of June, 2009.

Daniel J. McCormack, P.Ge

10. REFERENCES

McMillan, J.G. Report on the Geology of the Area Along the T. & N.O. Railway, Ontario Government Railway. Trial Line Between Gowganda and Porcupine. 1912. Page 23.

Holbrooke, G.L. for Erie Canadian Mines Limited. Short Report on J.C. Nelson Claims. June 11, 1936.

Ontario Geological Survey. D.R. Pyke et al. Map 2345. Peterlong Lake. 1977.

J.R. Lill for Lynco Resources Ltd. Beemer Township Gold Prospect, Ontario Geological and Geophysical Surveys. 1981.

Ludwig, Eduard & Associates. Marjel Resources Inc. Exploration Activities on the Beemer Township Claim. September 1, 1985.

Ontario Geological Survey. Report 231. Map 2289. Geology of the Ferrier Lake-Canoeshed Lake Area. District of Sudbury. 1984. Pages 50 and 51.

American Barrick Resources Corporation. Diamond Drill Logs for MK.88-1 to -3. 1988.

Polk Geological Services for Starfire Minerals Inc. Diamond Drill Logs SP-1-99 and SP-2-99. 1999.

Ontario Geological Survey. Special Volume 4. Part 1. Edited by P.C. Thurston et al. Geology of Ontario. 1991. Pages 411 to 482.

Larder Geophysics Ltd. for Ashley Gold Mines Limited. Magnetometer Survey Over the Beemer Property. Beemer Township, Ontario. 2008.

APPENDIX A
Assay Certificates
and Submission Forms



Swastika Laboratories Ltd

Assaying - Consulting - Representation

Geochemical Analysis Certificate

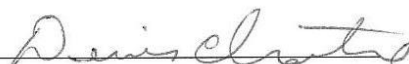
9W-1541-RG1

Company: **RANGER RESOURCES INC.**
Project: **BEEEMER**
Attn: **DAN MCCORMACK**

Date: JUN-11-09

We hereby certify the following Geochemical Analysis of 5 ROCK samples submitted JUN-08-09 by .

Sample Number	Au ppb	Au Check ppb
15951	5	-
15952	3	-
15953	14	-
15954	9	9
15955	10	-

Certified by 

1 Cameron Ave., P.O. Box 10, Swastika, Ontario P0K 1T0
Telephone (705) 642-3244 Fax (705) 642-3300



Swastika Laboratories

A Division of TSL/Assayers Inc.
Assaying - Consulting - Representation
P.O. Box 10, Swastika, Ontario P0K 1T0
Telephone (705) 642-3244 FAX (705) 642-3300

CERTIFICATE #

Request for analyses

Certificate and Invoice to: RANGER Resources Inc.
36 Prospect Ave
KIRKLAND LAKE, ONTARIO P2N 2V4

Phone: 705 567 4511 Fax: 705 567 6873 Project: BANNER

Authorized by: DAN M. CORMACK Date: June 8/09 P.O.# _____

Mail copy to: RANGER Resources Inc.

Type of analysis:

- Regular Assay Methods: Au Ag oz./ton or g/tonne, Base Metal %
- Geochem Assay Methods: Au PPB, Ag + Base metal in PPM
- Whole Rock Analysis
- Other

Disposal of unused materials:

- | REJECTS | | PULPS | |
|---|--|--|--|
| <input checked="" type="checkbox"/> Discard | <input type="checkbox"/> Retain 90 days | <input checked="" type="checkbox"/> Discard | <input type="checkbox"/> Retain 6 months |
| <input type="checkbox"/> Retain > 90 days at cost | <input type="checkbox"/> Return to _____ | <input type="checkbox"/> Retain > 6 months at cost | <input type="checkbox"/> Return to _____ |

Type of Sample	Sample Numbers	Au	Ag	Cu	Pb	Zn	Co	Ni	Other
Rock	15951 to 15955	X							

APPENDIX B

Pictures

Historic trench with quartz with py and cpy



Sulphide Zone in gabbro



Biotite-Chlorite Schist with quartz veining

