

2.31086

## Duggan Zone Project

Knight and Tyrrel Townships  
Shining Tree, Ontario



April 2006

RECEIVED  
LARDER LAKE  
MINING DIVISION

APR 18 2006

3.454

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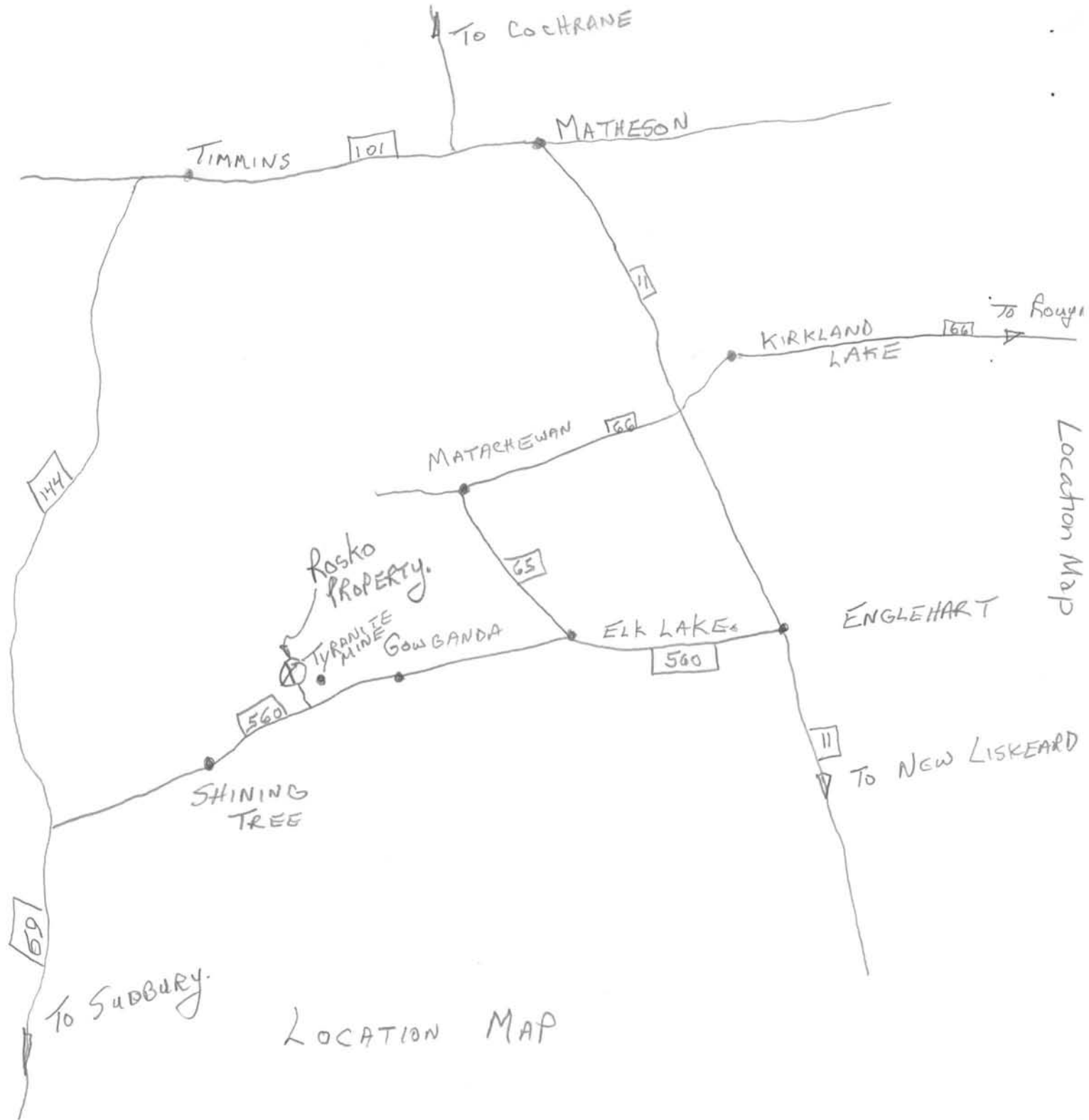
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## Property Location

The property consists of four unpatented mining claims located in Knight Township, claim numbers are 1242759, 3008011. Tyrrell Township claim numbers are 3006759, 3008013. The package of claims lie approximately twenty kilometers west of the town of Gowganda and 4.6 kilometers north of highway 560. The focus will be on the package one needs to look at MacIntyre Lake and the area straddling Knight and Tyrrell Townships in the Larder Lake Mining Division.



20 km



## Access

Access is gained by traveling west from Englehart on Highway 560 passing through Elk Lake and Gowganda. Approximately 20 kilometers west of Gowganda, in the proximity of the 82 kilometer road marking post, one will come upon a well built side exit on the north side of Highway 560. Travel along this road 4.64 kilometers arriving at the east bank of McIntyre Lake.

## History and Geology

Historically, the Duggan Zone was worked intermittently in the late 1930's and early 1940's, and then again in the 1980's and 1990's. Most recently in 2000 I have commenced work on the Duggan Zone. It is described by L.D.S. Winter, B.A.Sc., M. Sc., F.G.A.C., for Norwin Resources Ltd., as the mineralized northern end of the main Tyrante Mine structure, north of the present mineshaft.

Dave Gamble, Geologist of Geoservices Inc., describes the property (May 2005) in the following way.

The gold mineralization on the Rosko property appears to be strongly associated within a zone of altered mafic volcanic rock. These rocks could possibly range in chemical composition from a Mg-rich basalt of chemical affinity to possibly an ultramafic volcanic especially in light of the strong presence of carbonate and vibrant green fuchsite alteration. The volcanic assemblage appears to form a narrow linear belt or possibly a wedge that lies along the east side of the north trending Milly Creek with a low relief valley that may also represent the surface trace of a fault structure. The mafic volcanic assemblage that occurs along the eastern side of Milly Creek has also been intruded by the Milly Creek felsic intrusive stock. Large xenoliths as blocky angular to rounded mafic volcanic material can readily be seen encapsulated in the felsic intrusive near the volcanic/intrusive geological contacts. The alteration assemblage observed in the volcanics consists primarily of locally extensive rusty dark-brown surface oxidized ankeritic carbonate (carbonatization), quartz stringers and veins to vein breccia (silicification), and green fuchsite, and finely disseminated pyrite. Proximal to and along the alteration zone(s) as defined above and/or possibly other buried zones would seem to initially dictate the focus of an exploration program especially along this favorable style of high alteration corridor(s).

ACTIVITY REPORT- WORK SCHEDULE  
Claims, L 3006759, L 3008013  
Tyrrell Twp.,- Rosko P.A.

The following activity report is forwarded for your consideration and study.

1. On 6, 7 May 2004, proceed from Kirkland Lake to claim site in the company of Henri Rouloff and complete excavator stripping in the area of drill holes 03-08, the overburden was removed to identify rock types and strike at the drill locations, return to Kirkland Lake daily. The excavator was floated to the claim site from Kirkland Lake and returned completing 20 hours of machine work. The area of work is approximately 70 m X 70 m and mapped by Dave Gamble, Geologist.

Expenditures

1. Travel, 292 kms. @.40, 2 trips	amount \$	233.60
2. Prospector, 150.00/ day, 2 days		300.00
3. Equipment, excavator, mobilization, work, demobilization, 20 hrs@90.00/ hr		1800.00
4. Fuel 40.00/day, 2 days		80.00

2. On 7, 8, 9, 15 & 16 May 2004, proceed from Kirkland Lake to claim site in the company of Jim Rosko, and complete excavator work in area of drill holes 97-225 and 97-226 also the main showing, trench. The area stripped is approximately 75 m x 75 m and mapped by Dave Gamble, Geologist.

Expenditures

1. Travel, 292 kms.@.40, 10 trips	amount \$	1168.00
2. Prospector, 150.00/day, 5 days		750.00
3. Equipment, excavator, mobilization, work, demobilization 50 hrs.@90.00/hr		4500.00
4. Fuel 40.00/ day, 5 days		200.00

3. On 17, 18 September 2004, proceed from Kirkland Lake to claim site in the company of Glen Veinot and locate drill hole locations 223, 224, brush cut and clean areas at drill holes, also establish claim line boundaries.

Expenditures

1. Travel, 292 kms.@.40, 2 trips	amount \$	233.60
2. Prospector, 150.00/day, 2 days, 2 persons		600.00
3. Equipment, chain saw, fuel, oil, brush saw		300.00
4. Fuel 40.00/day, 2 days		80.00

4. On 05 June 2005, proceed from Kirkland Lake to claim site and return in the company of Mr. Dave Gamble, Geologist, Kirkland Lake, Ontario. Complete locating trenches, mapping, identify geological structure of the area, report attached

Expenditures

1. Travel, 292 kms.@.40	amount \$	116.80
2. Prospector, 150.00/day		150.00
3. Geologist,		<del>1781.00</del> 600.00
4. Fuel, 40.00/day		40.00

5. On 8, 9 July 2005 proceed from Kirkland Lake to claim site in the company of Martyn Rosko, Fred Rosko, and John Rapski, a control grid line was completed, by chain saw and pickets to identify, locate proposed drill hole targets.

Expenditures

1. Travel, 292 kms.@.40, 2 trips	amount \$	233.60
2. Prospector, 150.00/ day, 2 days 5 persons		1500.00
3. Equipment, chain saws, fuel, oil, brush saw		300.00
4. Fuel, 40.00/day, 2 days		80.00

Minus

-2113.60

NOT ALLOWED AT THIS TIME

6. On 9, 10, 11 July 2005 proceed from Kirkland Lake to claim site in the company of Mike Nemcsok and remove brush on west bank from drill holes, also power wash area.

Expenditures

1. Travel, 292 kms@.40, 3 trips	amount \$	350.40
2. Prospector, 150.00/ day, 2 persons, 3 days		900.00
3. Equipment, chain saw, fuel, oil, pump, hose		300.00
4. Fuel, 40.00/ day, 2 days		80.00

7. On 09 September 2005, proceed from Kirkland Lake to claim site in the company of Pat Culhane, locate pits and trenches from previous work. A NNW trending, W 75 degree dip zone was observed, including altered monzonites, silicified, carbonates with fine grained sulphides at 5-20%, in the trench and pits at the Duggan site.

Expenditures

1. Travel, 292 kms.@.40	amount \$	116.80
2. Prospector, 150.00/ day, 2 persons		300.00
3. Fuel, 40.00/ day		40.00

Total amount \$ 16,533.80

- 3294.60

13239.20

P.R.

Plus Report Prep 300.00

2 Days @ 150

13529.20

P.R.



## Summary of Work

This work project served as a continuation of my original concept of ore body exposure, in addition to preparing the property for an economically viable bulk sample. The hand brushing, washing and excavating maintained a considerable amount of the historical work, as well as enlarging the visibility of the current work area, helping to define the surface ore body extremities.

## Recommendations

With the success that we have been having to date, Rosko Mining Inc plan to carry on following the ore body to the north and to the south, while trenching along the main fault, which runs through the established pit, heading in a southeast direction towards the Tyrannite Mine headframe.

This identified property demonstrates a high potential and warrants continuous and ongoing work.

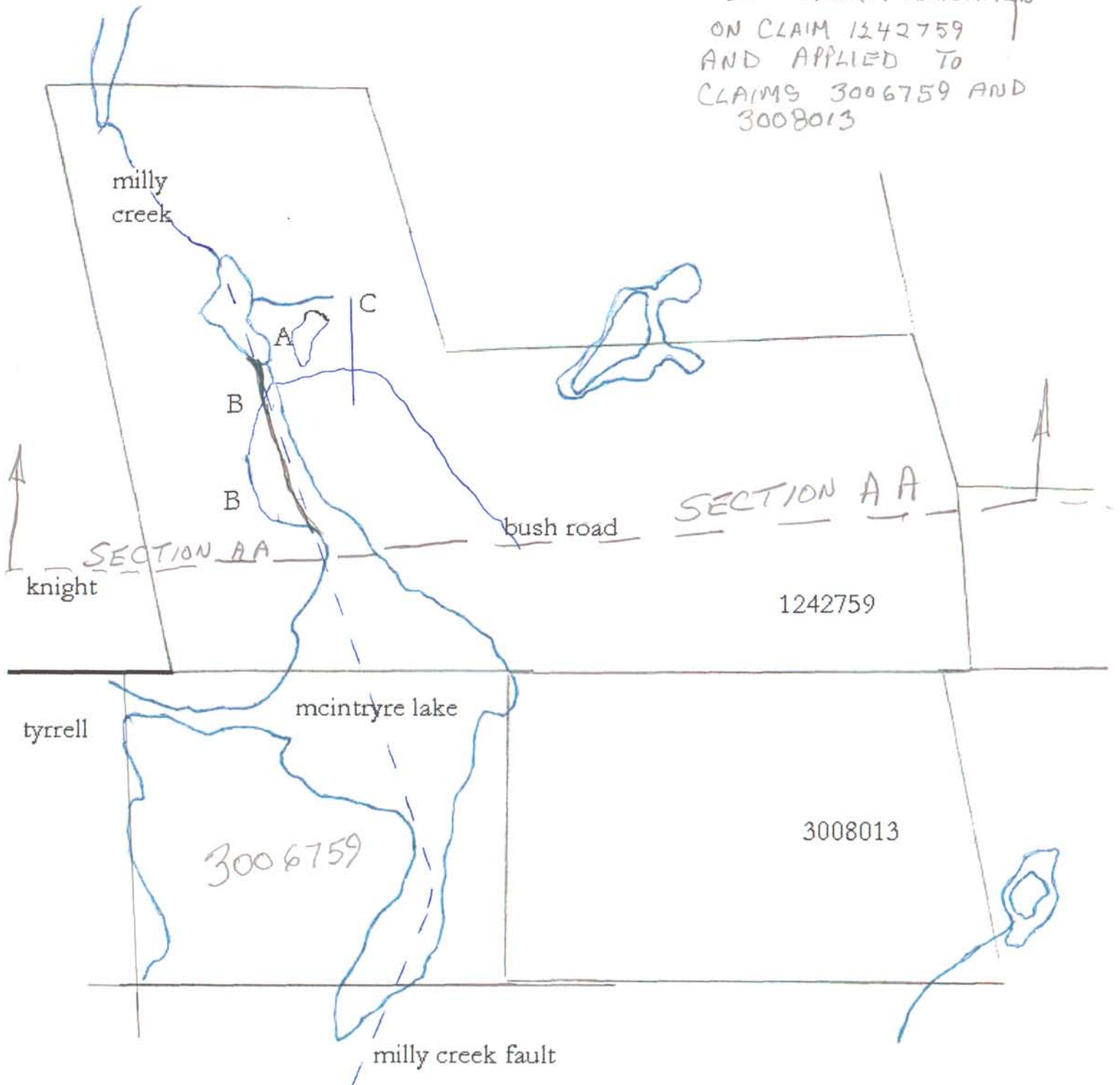
Appendix A

scale 296 m

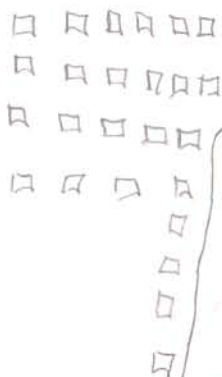
N

A excavator  
B brushed out  
C control line

NOTE WORK PERFORMED  
ON CLAIM 1242759  
AND APPLIED TO  
CLAIMS 3006759 AND  
3008013



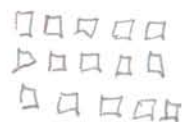
# Appendix A



NOTE: — — — — — INDICATES  
ANKERITIC CARBONATE  
— QUARTZ — GREEN PUSHSITE  
WITH VARYING AMOUNTS OF  
PYRITE



Rosta Pit  
MAIN BREAK



## LEGEND

/// — MARSH  
AREA

xxxx  
xxxx — WASHED  
AREA.

— STRIPPED  
WITH  
EXCAVATOR

— HAND  
BRUSH

SCALE 1" = 100'

SECTION A. A.

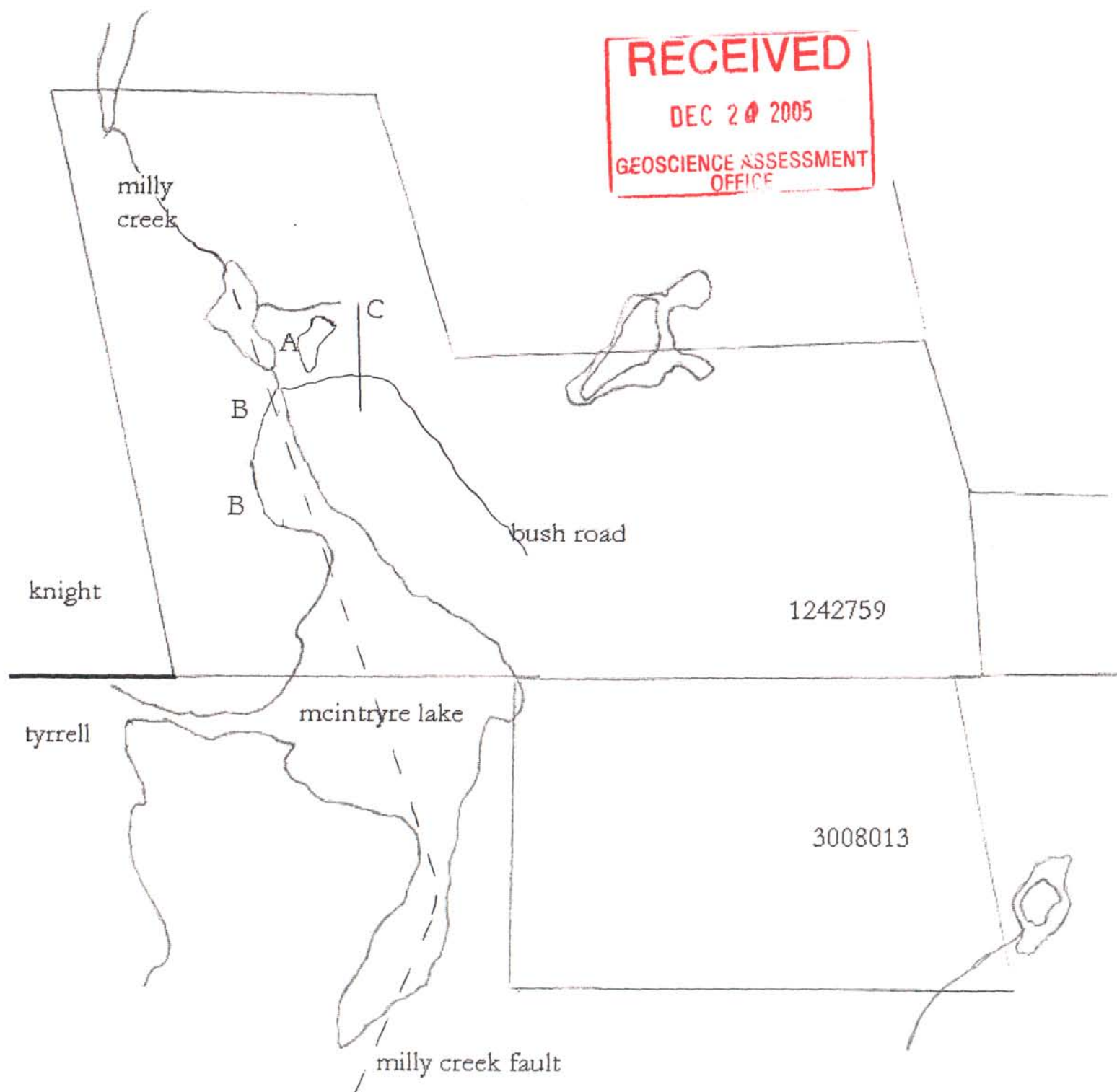


'scale' \_\_\_\_\_ 296 m

N

A excavator  
B brushed out  
C control line

2.31086



May 03, 2005

Invoice 0503

Mr. Pat Rosko,  
Bay City Mining Resources Inc  
158 Burnside Drive,  
Kirkland Lake, Ontario  
P2N 1M7

Re - Geological Consulting, "Rosko" Property Site Visit Knight - Tyrrel Townships.

Dear Pat,

Following is the invoice for geological services provided that include the following:

- Geological consultation on the Knight / Tyrrel Township property;
- Search the MNDM Assessment files and provide an assessment file compilation binder containing the work that has been conducted in the past on the "Rosko" property and also on the nearest neighboring lands that have been filed with the MNDM;
- Conduct a one day property site visit to examine the geological setting of the "Rosko" pit area and surrounding area of the historical showing area, and to locate the historical chip sampled overburden trenched areas that had returned significant gold assay values, and to examine several of the drill hole locations and survey pin evidence at each location;
- Provide a brief report summarizing a Phase 1 Field Exploration Program Proposal for 2005.

<b>Consulting Geologist:</b>			
Assessment compilation	2.50 chargeable days @ \$ 400.00/day		1,000.00
Property site visit	1.00 " " @ "		400.00
Exploration Program Proposal	0.50 " " @ "		200.00
<b>Expenses:</b>			
550 pages photocopying			55.00
1 large 3 ring binder			9.50
On the above items 7% GST			116.52
			=====
<b>REQUESTED ON RECEIPT - TOTAL DUE</b>			<b>\$ 1,781.02</b>

(note terms: 2% interest per month will be charged on all accounts over 30 days from date of invoice)

Thank you for this business.

Sincerely,



Dave Gamble

GST Registration Number 133063602

for 2005 for your  
upon my field  
n Knight and Tyrrell  
rom the assessment file

o Property appears to be  
K. These rocks could  
of chemical affinity to  
g presence of carbonate and  
pears to form a narrow  
the north trending Milly  
face trace of a fault  
he eastern side of Milly  
sive stock. Large xenoliths as  
ily be seen encapsulated in  
ntacts. The alteration  
locally extensive rusty dark-  
n), quartz stringers and veins  
y disseminated pyrite.  
ve and/or possibly other  
an exploration program  
ridor(s).

ng.  
mpled trench areas that returned  
ome of the reported results from

aged 0.152 oz/ton Au over 10

east and is the longest trench  
Au over 30 feet that also included

May 4, 2005.

Mr. Pat Rosko  
c/o Bay City Mining Resources Inc  
158 Burnside Drive,  
Kirkland Lake, Ontario  
P2N 1M7

Dear Pat,

I submit to you my proposed Phase I Field Exploration Program for 2005 for your property as requested. The proposed exploration program is based upon my field observations from the one day site visit of the "Rosko" property in Knight and Tyrrell Townships with you on April 24<sup>th</sup> coupled with the data review from the assessment file search and the OGS geological maps of the area.

To summarize, the presence of gold mineralization on the Rosko Property appears to be strongly associated within a zone of altered mafic volcanic rock. These rocks could possibly range in chemical composition from a Mg-rich basalt of chemical affinity to possibly an ultramafic volcanic especially in light of the strong presence of carbonate and vibrant green fuchsite alteration. The volcanic assemblage appears to form a narrow linear belt or possibly a wedge that lies along the east side of the north trending Milly Creek with a low relief valley that may also represent the surface trace of a fault structure. The mafic volcanic assemblage that occurs along the eastern side of Milly Creek has also been intruded by the Milly Creek felsic intrusive stock. Large xenoliths as blocky angular to rounded mafic volcanic material can readily be seen encapsulated in the felsic intrusive near the volcanic/intrusive geological contacts. The alteration assemblage observed in the volcanics consists primarily of locally extensive rusty dark-brown surface oxidized ankeritic carbonate (carbonatization), quartz stringers and veins to vein breccia (silicification), and green fuchsite, and finely disseminated pyrite. Proximal to and along the alteration zone(s) as defined above and/or possibly other buried zones would seem to initially dictates the focus of an exploration program especially along this favorable style of high alteration corridor(s).

The one-day field examination accomplished the following.

1- Were able to carefully identify the historical (1938) sampled trench areas that returned significant gold assay results from rock chip sampling. Some of the reported results from Assessment file # CO 1322 were as follows;

In the 'M' shaped trench area chip sample interval averaged 0.152 oz/ton Au over 10 feet, and 8.38 oz/ton Au over 4.0 feet.

In the next trench to the south which trends to the northeast and is the longest trench reported, returned an interval that averaged 0.32 oz/ton Au over 30 feet that also included a section grading 0.49 oz/ton Au over 15 feet.



Further to the south another trench returned 1.54 oz/ton over 5 feet. This trench area is adjacent to the Rosko pit area.

Recent 2004 sampling of the Rosko pit material by MNM geologists returned 1.61 oz/ton Au and 0.71 oz/ton Au, and 0.29 oz/ton Au from grab samples.

Previous drilling also returned significant gold assay intervals beneath the old surface trenches as reported by Mill City Gold Corp and Tyrannex Gold Inc in 1997 for DDH # 225 that returned 5.93 oz/ton over 3.0 feet. Previous drill results are also reported in the George Cross News Letter No 39 of Feb 25, 1997 with drill interval assays of 3.0 oz /ton Au over 10.5 feet in DDH #1316-10.

2- From field observations the northerly trending corridor of mafic volcanics host varying amounts of ankeritic carbonate - quartz - green fuchsite - pyrite. From an old map from the Assessment file search CO 1322 scattered surface exposure of mafic volcanics continue along strike for 500 feet north of the historical trenched area. Continuing north for a further 700 feet beyond the last mafic volcanic exposure the area in this corridor is overburden covered. This volcanic unit with the carbonate-quartz alteration and especially with the presence locally of significant amounts of disseminated pyrite makes this target area and zone(s) amenable to geophysical surveying, both a detailed Magnetic Survey (Mag) and an Induced Polarization Survey (I. P.) to develop targets for diamond drill testing.

3- From my field observations the mafic volcanic corridor seems to parallel the north-south trending Milly Creek. This creek represents a strong lineament that may represent a strong structural element such as a fault structure.

4- Large xenoliths (rounded fragments and angular blocks) of mafic volcanic material are observed incorporated within the Milly Creek felsic intrusive stock proximal to the volcanic contacts along the volcanic corridor.

5- From field observations the Milly Creek felsic intrusive material near the mafic volcanic corridor also exhibit carbonate, quartz, fuchsite, and disseminated pyrite. These areas of altered felsic intrusive may actually be fingers of intrusive material that have injected some of the mafic volcanic material during intrusion. This contaminated felsic intrusive or border phase would still be part of the potential mineralized zone.

In my review of the Rosko property in Knight and Tyrrell Townships I have outlined a grid area, see accompanying Grid Layout Map. It would be essential to first complete the grid as the initial exploration activity for 2005. All other work that would follow for the initial Phase 1 Field Exploration Program 2005 as outlined below requires this grid for control purposes.

The Phase 1 Field Exploration Program would consist of the following elements:

**1) - GRIDDING: (20 kms)**

Establish the "Milly Creek" grid, with 100 metre line spacings and with 25 metre chained and picketed stations over the property, this grid also includes a series of 50 metre spaced lines over and along strike of the known surface showing zone. The grid layout has a base

line and two tie lines for control. This grid is necessary to tie in the showings, the trenches, the previous drill holes casings, for geological mapping and sampling, and for control in conducting geophysical surveys.

**2) - GEOPHYSICAL (I.P.) SURVEYS: (17 kms)**

Quantec's Real Section I.P. Surveying of the grid lines, Quantec Geoscience's system is my first choice for this work as it is a very powerful method. It has never been used on this property, and it has proved to be quite useful on the St Andrews properties along the Porcupine-Destor Fault Zone with a high rate of success in identifying mineralized and silicified zones. Insight Geophysical Surveying would be my second choice for an I. P. survey contractor.

**3) - GEOLOGICAL AND LITHOGEOCHEMICAL SURVEYS:**

Geological mapping and rock sampling for gold over the entire gridded area should be conducted. This work is a must in order to ground proof, locate, and identify any high strain zones, alteration zones, and any associated mineralization. The initial surface geological and geochemical sampling survey work should first be conducted over the known zone area **prior to** any stripping or backhoe cleaning of the old trenched areas. After initial gold assay results are known it would then be more logical and financially prudent to then direct any areas that would require any stripping, or any backhoe work, and or any cleaning and washing work for additional sampling.

**4) - DIAMOND DRILLING: (5 ddhs x 200m totaling 1000m drill program)**

The intent of the program outlined in 1), 2), and 3) above is to develop geophysical and geological drill targets within the favorable alteration zones and or within high strain zones. Although not part of this phase of the exploration program it is noted here that targets will most likely be developed and diamond drill testing should be contemplated for the near future.

In summary, all of the gridding, geological mapping and sampling, backhoe stripping and cleaning and washing, geophysical ground surveys could be accomplished during this 2005 summer field season. Possible diamond drill program could be accomplished later in the fall 2005 and/or into the winter months 2006. Any additional geological surveys and rock geochemical sampling over any new identified targets that would require stripping, follow-up channel and detailed chip sampling may be scheduled later in the summer or early fall of 2005.

The cost estimate is \$ 134,000.00 for the proposed Phase 1 Field Exploration Program, (see page 3 Table 1 showing Cost Estimate of Phase 1 Field Exploration Program).

Trusting that this proposal will help you with your planning. I am looking forward to your comments and to get the program underway.

Regards

Dave Gamble

May 04, 2005.



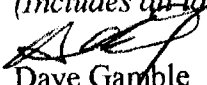
**PHASE 1 FIELD EXPLORATION PROPOSAL SUMMARY:**

- There is one proposed grid areas to be gridded totaling 20 kms.
- There is 17 kms of Quantec's Real Section I.P. survey proposed.
- The grid area is proposed to be geologically mapped and lithogeochemically sampled for gold.
- There is a proposed time for backhoe stripping, cleaning and washing of old trenches, and any new areas.

**TABLE 1**  
**COST ESTIMATE OF PHASE 1 FIELD EXPLORATION PROGRAM**

<b>ELEMENT</b>	<b>UNIT COST EST</b>	<b>COST in \$</b>	<b>REMARKS</b>
<b>Gridding:</b> 1 grid	20.0 kms @ 400/km + Supervision	8,000 2,000	Contract line cutting (4 man -2km/day)
<b>Geophysical:</b> I.P. Surveys.	17.0 kms @ 1600/km + supervision	27,000 3,000	Contract geophysics (2.0km/day)
<b>Backhoe Stripping, Cleaning, and Washing</b>	80.00/ hr backhoe 250.00/day pressure pump labor	10,000 2,500 1,500	10 days 10 days 10 days
<b>Support Logistic:</b> Food, accomod., veh + veh operation, consumables.	60 day food/accomd veh 2 months + 12000 kms + fuel, tele/fax, misc.	21,000 3000	Local motel/outfitter Com. Insured truck, Accom/food for backhoe stripping washing etc
<b>Field Support:</b> Consumables and equipment.	Sample bags, field supplies, flagging paint, field drafting supplies	4,000	Can be locally obtained
<b>Geological:</b> Field surveys, grid, geophys, and drill supervision.	Geologist 2 mos plus 1 field assistant for 2 mos.	20,000 8,000	DG plus assistant when necessary and for safety purposes
<b>Assay: Au</b> <b>Lithogeochem</b>	800 rock @ 15 ea	12,000	Swastika Laboratories
		-----	
	<b>ESTIMATE</b>	<b>122,000</b>	
	<b>10% CONTING.</b>	<b>12,000</b>	
		-----	
	<b>TOTAL</b>	<b>\$ 134,000</b>	

**Cost estimate for the proposed Phase 1 Field Exploration Program is \$ 134,000.00**  
*(Includes all taxes, PST where applicable, and GST)*

  
 Dave Gamble  
 May 04, 2005.

May 14, 2005.

Mr. Pat Rosko  
158 Burnside Drive,  
Kirkland Lake, Ontario  
P2N 1M7

Dear Pat,

I submit to you an alternate lower cost proposed Phase I Field Exploration Program 2005 for the 'Duggan Zone' on your Rosko Property as requested. The proposed exploration program is based upon my field observations from the one-day site visit of the Rosko Property in Knight and Tyrrell Townships with you on April 24<sup>th</sup> coupled with the data review from the assessment file search and the OGS geological maps of the area.

#### PROPERTY VISIT OBSERVATIONS AND PREVIOUS WORK INFORMATION

The one-day field examination of the Rosko Property accomplished the following.

1- We were able to carefully identify the very old, grown over and partially covered historical sampled trench areas that returned significant gold assay results from rock chip sampling in 1938. This zone is historically known as the "Duggan Zone" and as reported in the MNDM work assessment file literature. Some of the more significant gold assay results as reported from Assessment file # CO 1322 were as follows;

A- From the old 'M' shaped trench area that lies approximately 150 feet north of the 2003 Rosko pit the historical 1938 chip sample intervals averaged 0.152 oz/ton Au over 10 feet, and with another nearby interval that averaged 4.38 oz/ton Au over 8.0 feet that also included 8.38 oz/ton Au over 4.0 feet.

B- The next adjacent old trench area is located to the south of and attaches to the eastern end of the 'M' trench area above. This trench area is the longest trench reported on the historical maps and is 150 feet long and is oriented on a northeast bearing. This trench is located approximately 80 feet to the north of the 2003 Rosko pit. From this trench the historical 1938 chip sample intervals returned an interval that averaged 0.32 oz/ton Au over 30 feet that also included a section grading 0.49 oz/ton Au over 15 feet.

C- Progressing to the south from a and b above the next old trench area appears to be located immediately adjacent to east of the 2003 Rosko pit. From this trench the historical 1938 chip sample interval is reported to have returned 1.54 oz/ton over 5 feet.

In addition, previous more modern-day drilling also returned significant gold assay intervals beneath several of the old 1938 surface trenches as reported in the 'George Cross News Letter' No 39 of Feb 25, 1997, by Mill City Gold Corp and Tyranax Gold Inc. The following excerpt is quoted from the George Cross News Letter of February 25, 1997. The reader is cautioned that the following resource calculation is prior to and is not compliant with National Instrument 43-101 and is of an historical nature only.

“In the Duggan zone, one mile west of the main Tyrannite Mine, diamond drill hole 225 intersected a high grade chute assaying 5.93 oz. gold/ton over 3 feet, above which was intersected 10 feet of 0.10 oz. gold/ton. Diamond drill hole 226 intersected 8 feet of 0.10 oz. gold/ton successively overlain by 9.2 feet of 0.102 oz. gold/ton, 5 feet of 0.12 oz./ton, and 2.7 feet of 0.13 oz./ton.

The depth extension of the five previously identified chutes in the NNW trending Duggan structure was confirmed by holes 225 and 226. The minimum open pit potential of the Duggan zone is 1,114,000 tons grading 0.07 oz. gold/ton. Not included in the resource calculation are the high grade chutes with previous assays up to 3.0 oz. gold/ton over 10.5 feet (in DDH #1316-10), and the present assay of 5.93 oz. gold/ton over 3 feet. The total number of chutes, presently considered to be numerous, has yet to be determined.”

Recent 2004 grab samples taken from the 2003 Rosko pit material by MNM geologists returned significant values 1.61 oz/ton Au and 0.71 oz/ton Au, and 0.29 oz/ton Au. These 2004 grab sample assay results that were from altered green fuchsite mafic volcanic material that also contained 5-10% finely disseminated pyrite.

2- From field observations the northerly trending corridor of mafic volcanic rock hosts varying amounts of ankeritic carbonate - quartz - green fuchsite – pyrite. From an old map from the Assessment file search CO 1322 scattered surface exposure of mafic volcanic rock continue along strike for 500 feet north of the historical trenched area. Continuing north for a further 700 feet beyond the last mafic volcanic exposure the area in this corridor is overburden covered. This volcanic unit with the carbonate-quartz alteration and especially with the presence locally of significant amounts of disseminated pyrite makes this target area and zone(s) amenable to geophysical surveying, both a detailed Magnetic Survey (Mag) and a modern (Quantec or Insight) Induced Polarization Survey (I. P.) to develop targets for diamond drill testing.

3- From my field observations the mafic volcanic corridor seems to parallel the north-south trending Milly Creek. This creek represents a strong lineament that may represent a strong structural element such as a fault structure.

4- Large xenoliths (rounded fragments and angular blocks) of mafic volcanic material are observed incorporated within the Milly Creek felsic intrusive stock proximal to the volcanic contacts along the volcanic corridor.

5- From field observations the Milly Creek felsic intrusive material near the mafic volcanic corridor also exhibit carbonate, quartz, fuchsite, and disseminated pyrite. These areas of altered felsic intrusive may actually be fingers of intrusive material that have ingested some of the mafic volcanic material during intrusion. This contaminated felsic intrusive or border phase would still be part of the potential mineralized zone.

To summarize, the presence of gold mineralization of the “Duggan Zone” on the Rosko Property appears to be strongly associated within a zone of altered mafic volcanic rock.

These rocks could possibly range in chemical composition from a Mg-rich basalt of chemical affinity to possibly an ultramafic volcanic especially in light of the strong presence of carbonate and vibrant green fuchsite alteration. The volcanic assemblage appears to form a narrow linear belt or possibly a wedge that lies along the east side of the north trending Milly Creek with a low relief valley that may also represent the surface trace of a fault structure. The mafic volcanic assemblage that occurs along the eastern side of Milly Creek has also been intruded by the Milly Creek felsic intrusive stock. Large xenoliths as blocky angular to rounded mafic volcanic material can readily be seen encapsulated in the felsic intrusive near the volcanic/intrusive geological contacts. The alteration assemblage observed in the mafic volcanic rock consists primarily of locally extensive rusty dark-brown surface oxidized ankeritic carbonate (carbonatization), quartz stringers and veins to vein breccia (silicification), and green fuchsite, and finely disseminated pyrite. Proximal to and along the alteration zone(s) as defined above and/or possibly other buried zones would seem to initially dictate the focus of an exploration program especially along this favorable style of high alteration corridor(s).

#### EXPLORATION PROGRAM 2005

In my review of the Rosko property in Knight and Tyrrell Townships I have outlined the following initial Phase I Field Exploration Program for 2005. The work should include the following:

- Establish a small grid over and along strike of the 'Duggan Zone';
- Sample the old trench areas that reported significant gold assay values from 1938 to ground proof and verify the existence of and to get an accurate location for this mineralization prior to any ground disruptions such as stripping or trenching;
- Geologically map and carefully saw cut when practical and chip and/or grab sample for gold over and along strike of the 'Duggan Zone' area, and also locate all previous drill holes on the new grid;
- Once accurate locations are established for any significant gold mineralization a small program of backhoe clearing, stripping and washing of outcrop should be undertaken to further expose any zones of gold mineralization for further mapping and sampling.

The Phase 1 Field Exploration Program would consist of the following elements:

**1) - GRIDDING: (8.15 kms)** It would be essential to first complete the grid over the Duggan Zone area as the initial exploration activity for 2005. All other work that would follow requires this grid for control purposes. If the entire property were to be gridded it would require approximately 20 kms of cut lines grid, see accompanying Grid Layout Map. The small grid area should be first established over and immediately along strike of the 'Duggan Zone'. This small 'Duggan Zone' grid should cover all 50 meter spaced grid lines with 25 meter chained and picketed stations between T/L 3+00mW to T/L 3+00mE from L 6+00 mN to L 2+00mS for a total of 1650 meters of base and tie line control and 7500 meters of grid lines for a total of 8150 meters of line cutting. The grid layout has a base line and two tie lines for control. This grid is necessary to tie in the showings, the trenches, the previous drill holes casings, for geological mapping and sampling, and for control in conducting any future geophysical surveys.

## 2) - GEOLOGICAL AND LITHOGEOCHEMICAL SURVEYS:

Geological mapping and rock sampling for gold over the 'Duggan Zone' gridded area should be conducted. This work is a must in order to ground proof, locate, and identify any high strain zones, alteration zones, and any associated mineralization. The initial surface geological and geochemical sampling survey work should first be conducted over the Duggan Zone area **prior to** any stripping or backhoe cleaning of the old trenched areas.

After initial gold assay results are known it would then be more logical and financially prudent to then direct any areas that would require any stripping, or any backhoe work, and or any cleaning and washing work for additional detailed mapping and sampling.

In summary, all of the gridding, geological mapping and sampling, backhoe stripping and cleaning and washing, could be accomplished during this 2005 summer field season. Possible geophysical ground surveys (Mag and I. P.), and a diamond drill program could be accomplished later in the fall 2005 and/or into 2006. Any additional geological surveys and rock geochemical sampling over any new identified targets that would require stripping, follow-up channel and detailed chip sampling may be scheduled later in the summer or early fall of 2005.

The cost estimate is \$ **61,400.00** for the proposed Phase 1 Field Exploration Program, (see page 3 Table 1 showing Cost Estimate of Phase 1 Field Exploration Program).

Trusting that this proposal will help you with your planning. I am looking forward to your comments and to help get your exploration program underway.

Regards



Dave Gamble, P.GEO.

May 14, 2005.

**PHASE 1 FIELD EXPLORATION PROPOSAL SUMMARY:**

- There is the 'Duggan Zone' proposed grid area to be gridded totaling 8.15 kms.
- The 'Duggan Zone' grid area is proposed to be geologically mapped and lithogeochemically sampled for gold.
- There is a proposed time for backhoe stripping, cleaning and washing of old trenches, and any new areas.

**TABLE 1**  
**COST ESTIMATE OF PHASE 1 FIELD EXPLORATION PROGRAM**

<b>ELEMENT</b>	<b>UNIT COST EST</b>	<b>COST in \$</b>	<b>REMARKS</b>
<b>Gridding:</b> Duggan grid	9.0kms @ 400/km	3,900	Contract line cutting
<b>Geological:</b> Geological grid mapping/sampling	Geologist 1 mos plus 1 field assistant for 1 mos.	10,000 4,000	Geologist plus assistant
<b>Assay:</b> Au Lithogeochem	500 rock @ 15 ea	7500	Swastika Laboratories
<b>Support Logistic:</b> Food, accom, veh + veh operation, consumables.	30 day food/accom veh 2 months + 6000 kms + fuel, tele/fax, misc.	14,000	Local motel/outfitter Com. Insured truck, Accom/food/gas for geologist + assistant + backhoe stripping washing operators
<b>Field Support:</b> Consumables and equipment.	Sample bags, field supplies, flagging paint, field drafting supplies	3,000	
<b>Backhoe Stripping, Cleaning, and Washing</b>	80.00/ hr backhoe 250.00/day pressure pump	10,000 2,500 1,500	10 days + fuel 10 days
		-----	
	<b>ESTIMATE</b>	<b>56,400</b>	
	<b>CONTINGENCY</b>	<b>5,000</b>	
		-----	
	<b>TOTAL</b>	<b>\$ 61,400</b>	

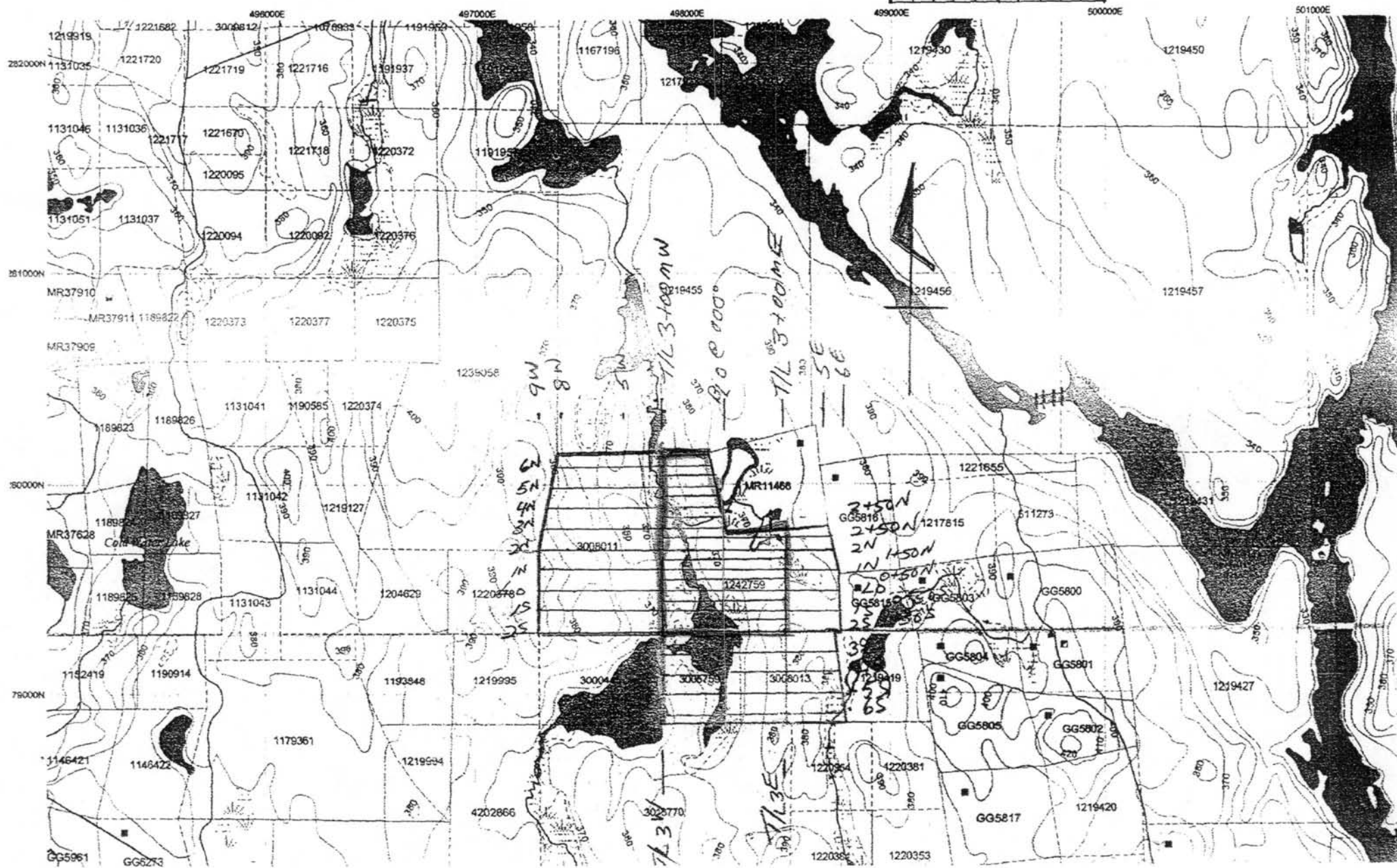
**Cost estimate for the proposed Phase 1 Field Exploration Program is \$ 61,400.00**

*(Includes all taxes, PST where applicable, and GST)*



Dave Gamble, P.GEO.  
May 14, 2005.





ACTIVITY REPORT- WORK SCHEDULE  
Claims, L 3006759, L 3008013  
Tyrrell Twp.,- Rosko P.A.

The following activity report is forwarded for your consideration and study.

1. On 6, 7 May 2004, proceed from Kirkland Lake to claim site in the company of Henri Rouloff and complete excavator stripping in the area of drill holes 03-08, the overburden was removed to identify rock types and strike at the drill locations, return to Kirkland Lake daily. The excavator was floated to the claim site from Kirkland Lake and returned completing 20 hours of machine work. The area of work is approximately 70 m X 70 m and mapped by Dave Gamble, Geologist.

Expenditures

1. Travel, 292 kms. @.40, 2 trips	amount \$	233.60
2. Prospector, 150.00/ day, 2 days		300.00
3. Equipment, excavator, mobilization, work, demobilization, 20 hrs@90.00/ hr		1800.00
4. Fuel 40.00/day, 2 days		80.00

2. On 7, 8, 9, 15 & 16 May 2004, proceed from Kirkland Lake to claim site in the company of Jim Rosko, and complete excavator work in area of drill holes 97-225 and 97-226 also the main showing, trench. The area stripped is approximately 75 m x 75 m and mapped by Dave Gamble, Geologist.

Expenditures

1. Travel, 292 kms.@.40, 10 trips	amount \$	1168.00
2. Prospector, 150.00/day, 5 days		750.00
3. Equipment, excavator, mobilization, work, demobilization 50 hrs.@90.00/hr		4500.00
4. Fuel 40.00/ day, 5 days		200.00

3. On 17, 18 September 2004, proceed from Kirkland Lake to claim site in the company of Glen Veinot and locate drill hole locations 223, 224, brush cut and clean areas at drill holes, also establish claim line boundaries.

Expenditures

1. Travel, 292 kms.@.40, 2 trips	amount \$	233.60
2. Prospector, 150.00/day, 2 days, 2 persons		600.00
3. Equipment, chain saw, fuel, oil, brush saw		300.00
4. Fuel 40.00/day, 2 days		80.00

4. On 05 June 2005, proceed from Kirkland Lake to claim site and return in the company of Mr. Dave Gamble, Geologist, Kirkland Lake, Ontario. Complete locating trenches, mapping, identify geological structure of the area, report attached

Expenditures

1. Travel, 292 kms.@.40	amount \$	116.80
2. Prospector, 150.00/day		150.00
3. Geologist,		1781.00
4. Fuel, 40.00/day		40.00

5. On 8, 9 July 2005 proceed from Kirkland Lake to claim site in the company of Martyn Rosko, Fred Rosko, and John Rapski, a control grid line was completed, by chain saw and pickets to identify, locate proposed drill hole targets.

Expenditures

1. Travel, 292 kms.@.40, 2 trips	amount \$	233.60
2. Prospector, 150.00/ day, 2 days 5 persons		1500.00
3. Equipment, chain saws, fuel, oil, brush saw		300.00
4. Fuel, 40.00/day, 2 days		80.00

6. On 9, 10, 11 July 2005 proceed from Kirkland Lake to claim site in the company of Mike Nemcsok and remove brush on west bank from drill holes, also power wash area.

Expenditures

1. Travel, 292 kms@.40, 3 trips	amount \$	350.40
2. Prospector, 150.00/ day, 2 persons, 3 days		900.00
3. Equipment, chain saw, fuel, oil, pump, hose		300.00
4. Fuel, 40.00/ day, 2 days		80.00

7. On 09 September 2005, proceed from Kirkland Lake to claim site in the company of Pat Culhane, locate pits and trenches from previous work. A NNW trending, W 75 degree dip zone was observed, including altered monzonites, silicified, carbonates with fine grained sulphides at 5-20%, in the trench and pits at the Duggan site.

Expenditures

1. Travel, 292 kms.@.40	amount \$	116.80
2. Prospector, 150.00/ day, 2 persons		300.00
3. Fuel, 40.00/ day		40.00

Total amount \$ 16,533.80