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Report on a Stripped Program in the Waldman North Area Claims 1212226 & 3007689 In Gillies Limit North Area

Assessment Report for Cabo Mining Enterprises Corp

S. Sears
June, 2006

TABLE OF CONTENTS

List of Figures

INTRODUCTION

A stripping program is in progress on the area north of the Waldman Shaft in Gillies Limit North Township. The work is designed to expose Cobalt Type vein zones similar to the Waldman Ag/Co/BM Mine. This report presents an outline of the area stripped as of June 17th, 2006 as well as the results of a geological survey of the stripped area. The mapping was carried out by Seymour Sears with assistance from Joan Barrya and A. Kon (Sears, Barry & Associates Ltd.). The work was completed between June 8 and June 17th, 2006 on behalf of Cabo Mining Enterprises Corp. The Waldman area is located approximately two (2) km south of the town of Cobalt (Figures 1& 2).

PROPERTY DESCRIPTION & ACCESS

The stripped area lies along he claim boundary between claim # 1212226 and 3007689 (approximately 50% on each). These claims are located in the extreme north part of Gillies Limit North Township, Larder Lake Mining Division (Fig 2).

Access is via the Coleman Road that departs eastwards from Highway 11A at the south western end of the town of Cobalt for 1.5 km and for 1 km south along the Houndchutes Road (a Hydro Dam access road).

GEOGRAPHY

Maximum relief in the area is approximately 20 metres. Topography is generally rolling with local steep ledges and cliffs and occasional swamp. The eastern side of the property drains into Giroux Lake while the western side drains westwards into a small creek, both of which drain into Giroux Creek. This creek flows southward and westward through the area mapped and into the Montreal River.

Overburden is relatively shallow over much of the area except for local swamps. Vegetation consists mainly of mature mixed forest with abundant dense underbrush.

EXPLORATION HISTORY

The northern part of the grid area was first explored in 1909 by Waldman Silver Mines Ltd. who sunk a shaft (85') and commenced production in 1910. Additional production was attained in 1918, 1919 and 1930. Two other shafts (110' & 105') and a total of 4000 feet of underground drifting and x-cutting was completed on this prospect, including work in 1948 and 1955. In 1944 and 1949, Waldag Mining Co. Ltd. are reported to have completed 33 drill holes (in excess of 10,000 feet) although not all logs are available. No assay results were reported. In 1978, Teck Corp completed a ground Mag and VLF-EM survey over part of the claims.

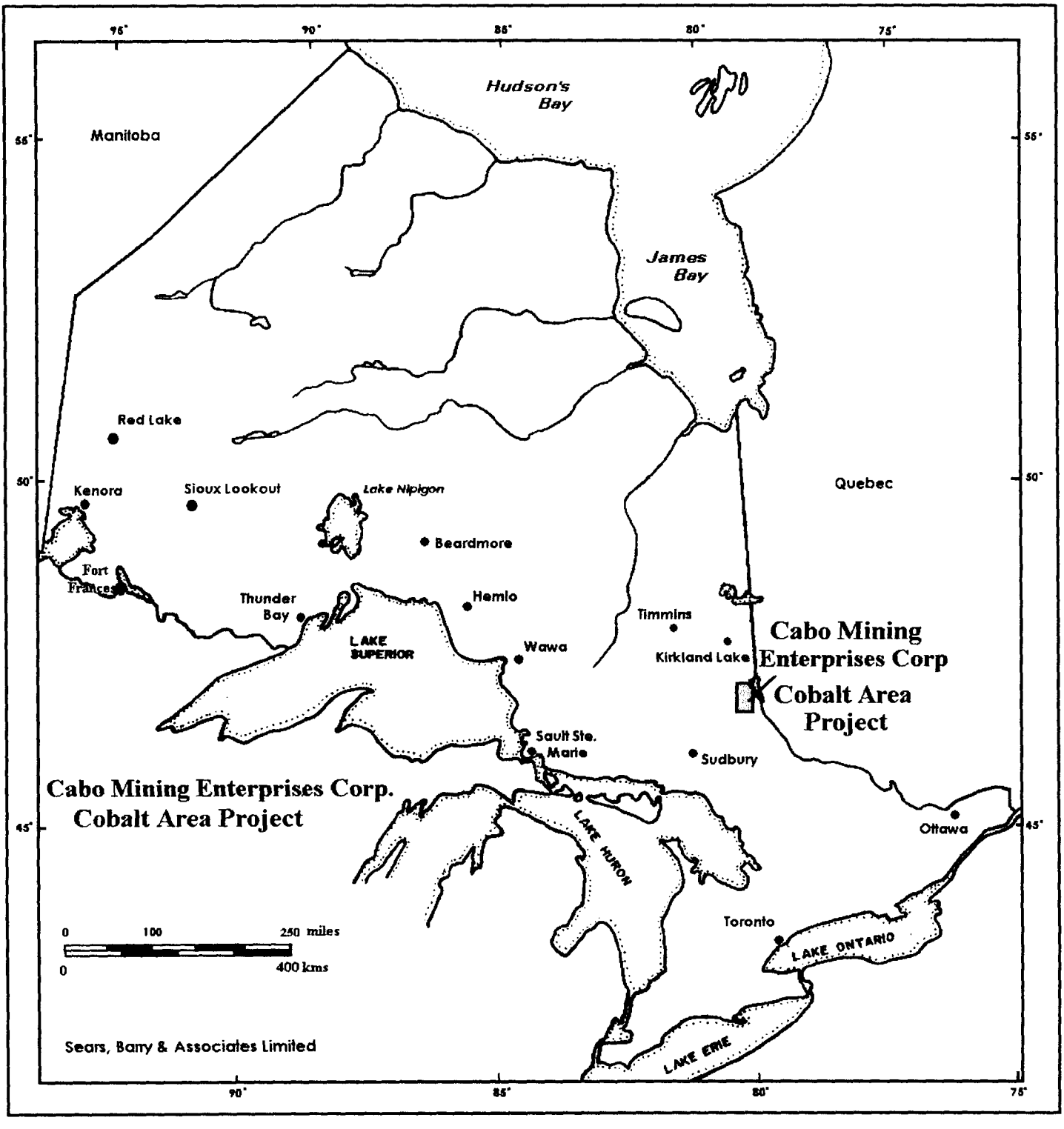


Figure 1: Regional Location Map of Ontario

ONTARIO CANADA MINISTRY OF NORTHERN DEVELOPMENT AND MINES — PROVINCIAL MINING RECORDER'S OFFICE

Mining Land Tenure Map

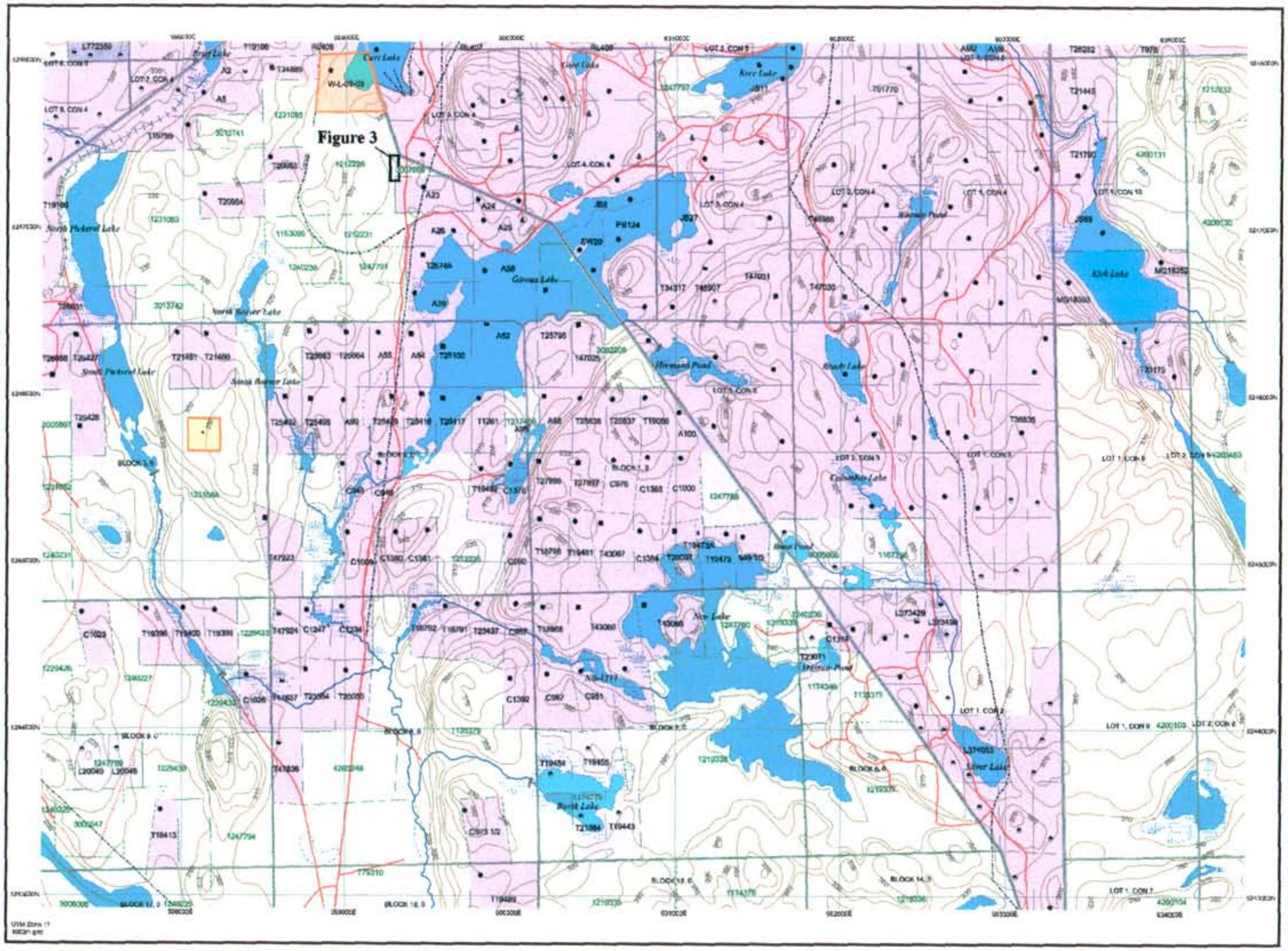
Date / Time of Issue: Tue Feb 07 10:58:09 EST 2006

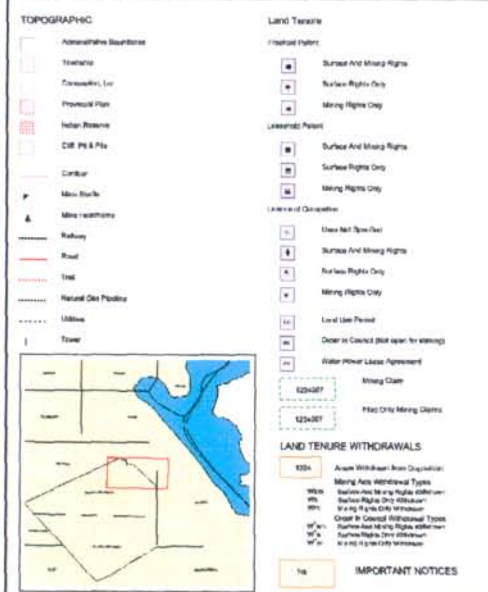
TOWNSHIP / AREA **GILLIES LIMIT NORTH**

PLAN **G-3429**

ADMINISTRATIVE DISTRICTS / DIVISIONS

Mining Division	Larder Lake
Land Titles/Registry Division	TIMISKAMING
Ministry of Natural Resources District	NORTH BAY





Scale 1:20000

LAND TENURE WITHDRAWAL DESCRIPTIONS

Identifier	Type	Date	Description
*	Wsm	Jul 10, 2001	* - DISCREPANCIES IN TOWNSHIP FABRIC - Claim staking in these townships must be done according to the Staking Regulation, for staking in surveyed territory.
W-L-09-03	Wsm	Feb 6, 2003	Sec. 35 W-L-09-03 M+S 2003/02/06 155150

Figure 2

Claim Location Map

Waldman Stripping Area

Cabo Mining Enterprises Corp.

Those wishing to stake mining claims should consult with the Provincial Mining Recorders' Office of the Ministry of Northern Development and Mines for additional information on the status of the lands shown hereon. This map is not intended for navigational, survey, or land title determination purposes as the information shown on this map is compiled from various sources. Completeness and accuracy are not guaranteed. Additional information may also be obtained through the local Land Titles or Registry Office, or the Ministry of Natural Resources.

The information shown is derived from digital data available in the Provincial Mining Recorders' Office at the time of downloading from the Ministry of Northern Development and Mines web site.

General Information and Limitations

Contact Information:
Provincial Mining Recorders' Office
Willet Green Miller Centre 933 Ramsey Lake Road
Sudbury ON P3E 6B5
Home Page: www.mndm.gov.on.ca/MNDM/MINES/LANDS/mlsmap.htm

Toll Free
Tel: 1 (888) 415-9845 ext 5789
Fax: 1 (877) 670-1444

Map Datum: NAD 83
Projection: UTM (6 degree)
Topographic Data Source: Land Information Ontario
Mining Land Tenure Source: Provincial Mining Recorders' Office

This map may not show unregistered land tenure and interests in land including certain patents, leases, easements, right of ways, flooding rights, licences, or other forms of disposition of rights and interest from the Crown. Also certain land tenure and land uses that restrict or prohibit free entry to stake mining claims may not be illustrated.

There are a number of old pits and trenches located on claim 3007689, but it is not clear who completed these.

Cabo Mining Corp. (the predecessor of Cabo Mining Enterprises Corp.) completed two drill holes for 237.2 metres, beneath the Waldman shaft in 1999 (Sears, 2000), a stripping program south of the Waldman shaft in 2004 (Sears, 2004) and a fence of drill holes south of the Waldman Shaft in 2004 – 2005 (Sears, 2005).

REGIONAL AND PROPERTY GEOLOGY

The area is located in the southern part of the main Cobalt mining camp. The stripped area exposes the contact between an inlier of Archean Mafic volcanic rocks, and Huronian aged Coleman Group conglomerate (Gowganda Formation). Previous geological mapping (Thompson, 1963) indicates that a Nipissing diabase sill is exposed approximately 200 metres to the east of the stripped area. This sill may have once overlain the stripped area, a geological setting that is similar to that in the immediate Cobalt Lake area two kilometres to the north.

The stripped area starts at the # 3 post for Claim 3007689 and extends north for approximately 100 metres. This post is approximately 50 metres northeast of the Waldman #1 shaft. The Waldman Mine is reported to have produced 33,525 oz of silver and 2066 lbs of Cobalt between 1918 and 1919 (Sergiades, 1968). The Mineralization was hosted by calcite and quartz breccia veins hosted within Archean volcanic rocks.

WORK PROGRAM AND RESULTS

An excavator and operator were contracted from Lathem Construction Limited of Haileybury, Ontario. A second backhoe was used for several hours to assist in cleaning some very irregular depressions that were considered good candidates for vein zones. The stripping commenced on June 13 and continued until Saturday afternoon (June 17th). The stripping is continuing and will be reported upon at a date. The stripped rocks are being cleaned manually and washed with a Honda Pump by a crew of three to ensure rapid exposure of the bedrock. The area was mapped on June 16th and 17th by S. Sears and J. Barry and this report completed. The following table presents rocks observed in the grid area. The data is presented on Figure 3.

Table of Lithologies

HURONIAN

Unit 6) Coleman Group Sediments

6b) Greywacke; relatively fine grained, distinct chlorite spotting; probably a regolithic zone; relatively massive (unlayered) and gently dipping.

(Table of Lithologies, cont...)

PRECAMBRIAN

Unit 1) Intermediate to Mafic Metavolcanic Rocks: Pale grey to dark green; fine to medium to coarse grained; massive to pillowed; placed in two subtypes:
1a) Massive Flows: generally dark grey green, medium to coarse grained; may in some instances be gabbroic intrusive rocks; rare pyrite as coarse patches.
1b) Pillowed Flows: typically light grey green to dark green; fine to rarely medium grained; pillows from 20 cm to several metres in size; margins locally contain chlorite, calcite, pyrite; These rocks occur immediately east of the stripping but have not yet been confirmed on the stripped area.

Several zones of fractures and weak to strong pyrite mineralization were observed. A detailed sampling program will be completed after the stripping program is completed.

CONCLUSIONS AND RECOMMENDATIONS

The stripped area is primarily underlain by Archean pillowed mafic volcanic rocks (fine grained massive mafic flows). Two exposures of overlying Huronion aged Coleman sedimentary rocks (chlorite spotted greywacke) occur, one in the south end of the area stripped and another in the extreme north end. The stripping program is ongoing in the north end. The work will be reported upon after it has been completed. Detailed channel sampling should be completed over any areas containing sulphides. These can be better delineated once the area is better washed.

Respectfully submitted,

Seymour Sears, P.Geo.

REFERENCES

Douville, D., and Sears, S. M.
2004: Report on Geological Mapping in Gillies Limit North Area (Waldman Grid Area), for Cabo Mining Enterprises Corp.

Ontario Geological Survey
2000: Airborne magnetic and electromagnetic surveys, Temagami area; Ontario Geological Survey, Map 82 066, scale 1:20 000.

Sears, S.M.
2000: Report on a 1999 Drill Program in the Cobalt Area, for Cabo Mining Corp. (Includes 2 holes under the Waldman Prospect and 2 in the Cummings Pits area). 968: Silver

2004: Geological Mapping of a stripped area on the Waldman Property, Gillies Limit North Area, an assessment report for Cabo Mining Enterprises Corp.

2005: Report on Drilling of Three Holes on the Waldman Property, (Claim 1212226), Gillies Limit NorthTownship, Ontario Assessment Report for Cabo Mining Enterprises Corp.

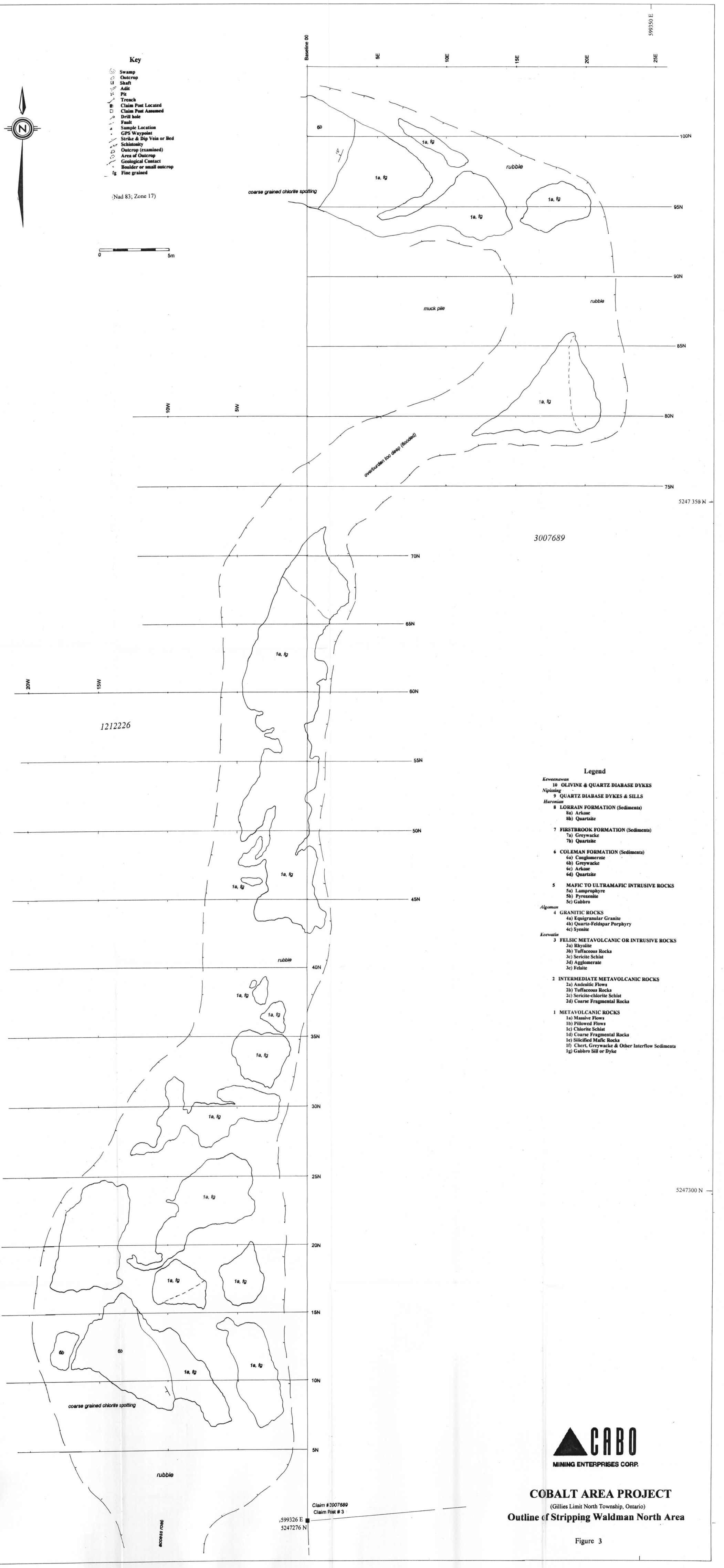
2005: Report on Drilling of Two Holes on the Waldman Property, (Claims 1247791 & 1212231), Gillies Limit NorthTownship, Ontario Assessment Report for Cabo Mining Enterprises Corp.

Sergiades, A.O.
1968: Silver Cobalt Calcite Vein Deposits of Ontario; Ontario Department of Mines, Mineral Resources Circular No. 10.

Thompson, R.
1961: Preliminary Report on parts of Coleman Township, Concession IV, Lots 1 to 5 and Gillies Limit, the Eastern "A" Claims, District of Timiskaming; Ontario Department of Mines, P.R. 1961-6.

1963: Cobalt Silver Area, Southwestern Sheet; Ontario Department of Mines Map 2051, Scale 1:12,000.

Assessment Files of the Ontario Geological Survey, Larder Lake Office.


Key
Swamp
Outcrop
Shaft
Adit
Pit
Trench
Claim Post Located
Claim Post Assumed
Drill hole
Fault
Sample Location
GPS Waypoint
Strike & Dip Vein or Bed
Schistosity
Outcrop (examined)
Area of Outcrop
Geological Contact
Boulder or small outcrop
fg Fine grained
(Nad 83; Zone 17)
0
5m
Baseline 00
5E
10E
15E
20E
25E
599350 E
100N
95N
90N
85N
80N
75N
70N
65N
60N
55N
50N
45N
40N
35N
30N
25N
20N
15N
10N
5N
10W
5W
20W
15W
5247 350 N
5247300 N
1a, fg
6b
coarse grained chlorite spotting
rubble
muck pile
overburden too deep (flooded)
3007689
1212226
access road
Claim #3007689
Claim Post # 3
599326 E
5247276 N
Legend
Kewenawan
10 OLIVINE & QUARTZ DIABASE DYKES
Nipissing
9 QUARTZ DIABASE DYKES & SILLS
Huronian
8 LORRAIN FORMATION (Sediments)
8a) Arkose
8b) Quartzite
7 FIRSTBROOK FORMATION (Sediments)
7a) Greywacke
7b) Quartzite
6 COLEMAN FORMATION (Sediments)
6a) Conglomerate
6b) Greywacke
6c) Arkose
6d) Quartzite
5 MAFIC TO ULTRAMAFIC INTRUSIVE ROCKS
5a) Lamprophyre
5b) Pyroxenite
5c) Gabbro
Algoman
4 GRANITIC ROCKS
4a) Equigranular Granite
4b) Quartz-Feldspar Porphyry
4c) Syenite
Keewatin
3 FELSIC METAVOLCANIC OR INTRUSIVE ROCKS
3a) Rhyolite
3b) Tuffaceous Rocks
3c) Sericite Schist
3d) Agglomerate
3e) Felsite
2 INTERMEDIATE METAVOLCANIC ROCKS
2a) Andesitic Flows
2b) Tuffaceous Rocks
2c) Sericite-chlorite Schist
2d) Coarse Fragmental Rocks
1 METAVOLCANIC ROCKS
1a) Massive Flows
1b) Pillowed Flows
1c) Chlorite Schist
1d) Coarse Fragmental Rocks
1e) Silicified Mafic Rocks
1f) Chert, Greywacke & Other Interflow Sediments
1g) Gabbro Sill or Dyke
CABO
MINING ENTERPRISES CORP.
COBALT AREA PROJECT
(Gillies Limit North Township, Ontario)
Outline of Stripping Waldman North Area
Figure 3